

**RELATIONSHIP BETWEEN LEADERSHIP STYLE AND EMPLOYEE  
COMMITMENT IN GOVERNMENTAL HEALTH INSTITUTION; IN CASE OF  
UNIVERSITY OF GONDAR HOSPITAL**

**A THESIS SUBMITTED THE DEPARTMENT OF MANAGEMENT FOR PARTIAL  
FULFILLMENT OF THE REQUIREMENTS OF MASTER'S OF BUSINESS  
ADMINISTRATION (MBA)**

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## **Declaration**

I, Hiwot Chekole, hereby declare that this research thesis titled “Relationship between Leadership Style and Employee Commitment in Governmental Health Institution, In case of University of Gondar Hospital” submitted to University of Gondar, in partial fulfillment of the requirements for the award of Degree of Master of Business Administration in management with respect to originality and quality. The idea and view of the other researchers have been duly expressed and acknowledged.

Date \_\_\_\_\_ signature of the candidate \_\_\_\_\_

## Certificate

This is to certify that Hiwot Chekole has completed her thesis entitled “Relationship between Leadership Style and Employee Commitment in Governmental Health Institution, in case of University of Gondar Hospital”. In my opinion, this thesis is appropriate to be submitted as a partial fulfillment requirement for the award of Degree in Masters of Business Administration, the work is an original effort of the candidate.

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**University of Gondar**

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## **Abbreviations/Acronyms**

AC= Affective commitment

CC= Continuance commitment

CR= Contingent reward

e = Error tolerance

FRLA= Full Range Leadership Approach

HRM = human resource management

IA= Idealized Influence (Attribute)

IB= Idealized Influence (Behavioral)

IC=Individual Consideration

IM= Inspirational Motivation

IS= Intellectual Stimulation

LS= Leadership Styles

MBEa= Management –by-exception-active

MBEp= Management –by-exception-passive

MLQ= Multifactor Leadership Questionnaire

N = Total population of leaders and employees of UGH

n= Samples size

NC= Normative commitment

OC= Organizational commitment

OCQ= Organizational Commitment Questionnaire

p= Probability of this relationship's significance

r= Two-tailed Pearson correlation analysis

Std.Div= Standard Deviation

UGH= University of Gondar Hospital

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## ***Abstract***

*Leadership is creating and maintaining a sense of vision, culture and interpersonal relationships. Employee's organization commitment is an important factor for the sustainable and effective growth of the institution. The purpose of this study was to assess the relationship between leadership style (transformational, transaction and laissez-faire) and employee organizational commitment (affective, normative and continuous) of governmental health institution on UGH. The literature provided discusses the leadership style and organizational commitment. Information was gathered from sample of 283 respondents (9 leaders and 274 employees) health profession and administrative staffs of the institutions. The Multifactor Leadership Questionnaire (MLQ), which was formulated from Bass and Avolio's (1997) Full Range Leadership Development Theory, which is 36 items and Organizational Commitment Questionnaire (OCQ), which was formulated from Meyer and Allen (1997), which is 12 items. These items are rated using a 5-point Likert scale. Leadership style was identified as the independent variable and organizational commitment as the dependent variable. The findings result of the study employees perception about the transformational and transactional leadership style have strong and significant, positive correlation with affective, normative and continuance commitment. But, no statistically significant correlation between laissez-faire leadership style with affective, normative and continuance commitment. The result of the finding indicates as there is a need for better leadership and management to realize employee commitment as well as upgrading of skills (staff career) and gearing towards results orientation and efficiency. The overall the institution's leaders should improve the level of employees' commitment through actually practicing effective type of leadership style and creating conducive environment to employees.*

**Keywords: Leadership styles, Employee commitment, UGH**

## **CHAPTER ONE**

### **1. INTRODUCTION**

#### **1.1. Background of the study**

Leadership is creating and maintaining a sense of vision, culture and interpersonal relationships (Day, c. 2000). Throughout history theoretical explanations for leadership have been proffered. The trait Approach up to the late 1940s claimed that leadership ability is inborn (Bryman, 1993). People become leaders for the traits that they own such as intelligence, appearance, language ability, etc. (Bolman et al., 1994). The days when leaders controlled, dominated and manipulated organizations at their pleasure are over (Block, 1993). Bhindi and Duigna (1997) noted that leadership was being redefined. Burns (1978) point out that leadership is one of the observed phenomena on the world. It's often regarded as the most critical factors in the success and failure of the organization (Bass, 1990a). However, Effective staff members must be committed to the purpose, vision and values of the organization they are serving (McIntosh, 2000). The commitment of employees to the organization is an important factor for the sustainable and effective growth of the organization. People were the lifeblood of organizations and valuable resources of organizations (Gunnigle et al., 1971). Ulrich (2000) referred to people as intangible resources, which were difficult to imitate. Therefore, the commitment of competent employees was critical to the success of the organization.

Many researcher conducted in business organizations on similar topic, like Ackerman et al (2000) in South Africa, Hayward et al (2004), Goss and Tolmay of South African (2004), Hackett and Allen (1995), Hasbullah of Malaysia (2008), Nyengane of South Africa (2007), Bučiūnienė and Škudienė of Lithuania (2008), Saqer (2009), Michael and Portia of Ghana (2011), Temesgan of Ethiopia (2011), Imen Keskes of Spain (2013) and Betsabeh of Malaysia (2013) using full range leadership theory which consist of transformational, transactional and laissez-faire leadership style an independent variable and employee commitment consist of affective, normative and continues commitment of dependent variable. In the country level by health institutional, especially in University of Gondar Hospital none of them study the relationship between leadership style and employee organizational commitment.

This study was to assess the relationship between leadership style and employee commitment of UGH. The research question is concerned with the relationship between the leadership styles being practiced within the institution and its influence on the employee commitment. Thus, the purpose of this research is to assess the relationship between leadership styles and employee commitment of governmental health institution in UGH.

## **1.2. Statement of the Problem**

University of Gondar Hospital (UGH) is one of the largest health institutions in the Ethiopia. Effective leadership is important factor to the development of the country. A leadership style that was effective, ethical, supportive and responsible was possible when such an environment existed (Sergiovanni, 1993). It also important to the success of a venture can nearly always is traced directly back to the vision and will of the leadership. Therefore, having effective leadership styles for the organization to retain competent employees is crucial to its survival. Due to the norm of mutual assessment, this support makes the employee feel obligated to exhibit beneficial organizational attitudes (commitment). Also Awan & Mahmood (2009) depict that employee commitment reflects the quality of the leadership in the organization. Pfeffer (1998) also argued that committed employees are more motivated, dedicated towards meeting and achieving organizational goals. The employees' knowledge, experience, skills, expertise, the ability to collectively innovate and their decision making processes is key to the survival of institution. Bennett and Durkin (2000) states that the negative effects associated with a lack of employee commitment include absenteeism, dissatisfaction and turnover. According to Iverson and Buttigieg (1998) committed employees accept organizational values easily while taking responsibility for their actions. High levels of commitment to the organization are likely to reduce absenteeism, staff turnover and increase levels of job satisfaction and performance. These positive benefits of committed employees are recognized as important determinants of organizational effectiveness.

However, the data obtained by human resource center of the institution and informal discussion with the employee's of UGH indicate that there were problems regarding the level of full range leadership theory implementation like a lack of strong leadership and the institution is actually losing influence. These follows low level of employee commitment, while low level commitment of employees results follows are dissatisfied at work, less committed and also turnover among

these competent employees' results in interruptions in normal operations, loss of efficiency, increased replacement and recruitment cost, increased customer dissatisfaction.

The above problem is indicates as there is a need for better leadership and management to realize employee commitment as well as upgrading of skills (staff career) and gearing towards results orientation and efficiency. In addition, there was no previous researches have been conducted on this study in the area as far as the researcher investigation is concerned. Therefore this study was conducted to identify the relationship between leadership style of the institutional leader (transformation, transaction and laissez-faire) and employee commitment (affective, normative and continuance) of UGH. And also the assessment was contributed to the body of knowledge by providing information on the relationship between leadership styles and organizational commitment and also encourage employee commitment to the UGH.

### **1.3. Objective of the Study**

#### **1.3.1. General Objective**

The general objective of this study was to assess the relationship between leadership style and employee commitment of the governmental health institution in case of University of Gondar Hospital.

#### **1.3.2. Specific Objective**

The specific objectives of this study are:

- To assess the level o leadership styles (transformational, transactional and laissez-faire) being implemented in the institution.
- To assess the level of employee commitment (affective, continuance and normative) being practiced in the institution.
- To examine the relationship between different leadership styles and employee commitment.

### **1.4. Research Question**

To address the above objectives, the following research questions were designed in this study.

1. What are the attitudes of institution staff about leadership styles & employee commitment of in University of Gondar Hospital?
2. What is the relationship between transformational leadership style and affective, continuance and normative employee commitment?
3. What is the relationship between transactional leadership style and affective, continuance and normative employee commitment?
4. What is the relationship between laissez-faire leadership style and affective, continuance and normative employee commitment?

### **1.5. Significance of the Study**

The significant of the study is provides additional knowledge relating to the leadership style of the leader and employee's organizational commitment. This study was contributed to the growing body of research on antecedents to leadership styles and organizational commitment by examining the important leadership styles and employee's organizational commitment. And also this study important to the institutional growth and sustainable.

### **1.6. Limitation of the Study**

Limitation of the study was lack and reputable literature on this specific subject in the study area and willingness of some respondents to give factual information. It also was study only leadership style (transformational, transaction and laissez faire) and employee organizational commitment (affective, normative and continuous).

### **1.7. Scope of the Study**

The study was carried out at University of Gondar Hospital. The main focus the study was asses the relationship between leadership styles and employee organizational commitment on University of Gondar Hospital. The data for this assessment was gather from the UGH employees and their leaders (health profession and administrative staff) of the institution. This study comprised two major variables such as leadership style (transformational, transaction and laissez-faire), which was the independent variable and employee organization commitment (affective, normative and continuous) which was the dependent variable. The study was conducted by the time duration from March, 2015-August, 2015.

### **1.8. Organization of the Study**

This paper is organized into five chapters. **Chapter one** deals with the introduction part of the study like back ground of the study, statement of the problem, objectives of the study, research question of the study , significance of the study, scope of the study, limitation of the study and organization of the study. **Chapter two** describes different theoretical, empirical literatures and conceptual framework. **Chapter three** include the research design and methodology such as research design, population and sample, research target, population sizes, sample size determination, sample size, sampling method, research instrument, validity and reliability test of the instrument, data analysis techniques and dependent and independent variables of the study. **Chapter four** presents data analysis and discussion of the data gathered. **Chapter five** overall presents' conclusions and recommendations derived from the research findings and directions for the future research on the relationship between leadership style and organizational commitment.



## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1. Introduction**

A leader is defined as a person with the responsibility to influence one or more followers and directing them to achieve a set objective. While doing so, the leader has to be aware of the strength of each of his or her follower and identify the areas to be improved (Bruce et al., 2006). A leader should be able to change his or her leadership style based on the situation in order to be more effective, focus on supporting the followers and build their trust and respect (Aric Hall, 2007). Literatures have stated that the key elements for a successful organization are leadership style and competency (Rodney Turner and Ralf Muller, 2005). The five major functions of leadership are categorized as follows (Joel, 2010) are create a vision and focus on it, set up a high performance team , keep the team motivated, maintain a good rapport with people around to make sure they are aware the information needed and satisfy employees to minimize attrition.

Leadership has been always a crucial issue since organizations and companies are permanently in a constant struggle to be increasingly competitive. Leadership is an important function of management which helps to maximize efficiency and to achieve organizational goals. The word leadership has been described in terms of the position, personality, responsibility, influence process; instrument to achieve a goal, behaviors (Limsila & Ogunlana, 2007). Most definitions have a common theme of directing a group towards a goal. Therefore, the leadership can be broadly defined as the relationship between an individual and a group built around some common interest wherein the group behaves in a manner directed or determined by the leader. Leaders can influence the behavior of their followers through the use of different styles or approaches to managing others. For the past three decades, a pair of predominant leadership styles (transformational, transactional and laissez-faire leadership) has received a significant amount of attention (Shastri et al., 2010).

On the other hand, employee commitment has long been a topic of interest to organizational researchers (Meyer et al., 1993; Meyer & Allen, 1991, 1984; Mathieu & Zajac, 1990; Mowday et.al., 1982). One of the main reasons for its popularity is that organizations have continued to find and sustain competitive advantage through teams of committed employees. Many researchers found that an organization's success is determined by having a high degree of organizational commitment (Jassawalla & Sashittal, 2003; Brooks, 2002; McElroy, 2001). Organizational

commitment has attracted considerable attention in theory and research because of its attempt to understand and clarify the intensity and stability of employee dedication to work organizations (Eisenberger et.al, 1990). Research literature states that organizational commitment is defined as a subordinate's identification with the mission, goals and vision of the organization. According to Eisenberg et al., 1983, organizational commitment has been defined in a variety of ways. Most theories include one or more of the following three attitudinal elements as an integral part of their definition a strong belief in and acceptance of the organizations goals and value a willingness to exert considerable effort on behalf of the organization and a strong desire to maintain membership in the organization.

Generally, higher or lower levels of commitment have been shown to be a major driver of employees staying with or leaving an organization (Shaw et al., 1998).

Employee commitment reflects the quality of the leadership in an organization (Stum, 1999). Organizational commitment provides a broad measure of the effectiveness of leadership which offers a way to further explore the subject of the relationship between leadership and commitment. However, organizations are always looking for the committed human resources in order to achieve its strategic objectives. Specifically, supervisors have the responsibility to emphasize to their subordinates their link and contribution to the success of the organization and to understand the significance of building a positive relationship with their respective subordinates to enhancing the subordinate's commitment to the organization (Truckenbrodt, 2000).

## **2.2. The Concept of Leadership and Leadership Style**

According to Mat (2008), leadership definitions keep evolving as scholars try to simplify the definition to enable people to understand the concept easily, to make it less complicated and more practical in daily business. For centuries leadership studies have been obsessed with leaders and with identifying the characteristics required for effective leadership. Even though it is clearly stated that it is difficult to give leadership a single definition, people keep exploring this area of study. It shows that there is no stopping point for leadership study and it has become an essential element in social science.

According to Okumbe (1998), leadership is a process of encouraging and helping others to do something of their own volition. Leadership is thus a process of encouraging and helping others to

work enthusiastically towards objectives. It is the human factor that binds a group together and motivates it towards goals transforming the group's potentials into reality.

Leadership has many definitions but no real consensus; essentially it is a relationship through which one person influences the behavior or actions of other people. In everyday speech leadership and management are used interchangeably. Management is about developing, planning and controlling of organizational resources while leadership is about the aligning of people to the expected outcomes of the vision. In order to lead one must be able to manage and hence the two are closely related (Gwavuya, 2011). Leaders use their influence factor to draw people towards achieving goals and to maximize the results in the organization. The influence factor does not mean the leader having power over the followers and controlling or directing them to the goals the leaders want to achieve; rather it is the leaders' own actions that affect the follower's behavior and actions. Generally, followers will emulate the leader's acts and behaviors thus leading to the achievement of the desired goals (Mat, 2008).

### **2.3. Leadership Theories**

A glimpse of the leadership theories will help set the platform for further discussion.

**Great man theory** states that the leaders are born and not made. The inherent characteristics will surface based on [www.ccsenet.org/ibr](http://www.ccsenet.org/ibr) International Business Research (Vol. 7, No. 9; 2014) the need. This theory went well with our historians and was named as "Great man theory" as in the earlier days the leadership role was taken only by male. This thought was redundant after lot of research and studies were done on leadership (Maj Earl Russel, 2011).

**Trait theory approach** was also one of the early theories of leadership. This approach focuses on the basic traits like physical and personal characteristic along with the competencies a leader should possess. It is based on the assumption that basic traits are the reason for the behavior of the leaders which are consistent in different situations. Similar to the Great Man theory, this approach states that leaders have characteristics that they are born with and it remains consistent for a long time (Fleenor, John W., 2011).

**Contingency/ Situational theory** focuses on factors connected to environment which might determine the leadership style that would be most appropriate for a particular situation. It

emphasizes that the leaders will choose the best style of leadership based on the situation and the group to be influenced Fiedler's (1967).

**Behavioral theory** states that leaders are "made and not born" which is opposite to the concept of Great man theory. It states that leadership skills can be learned and developed (Anit Somech, 2006).

**Participative theory** explains about the collective decision making abilities of a leader or shared influence of the subordinates in decision making. This leadership style would help in motivating the team members as their inputs are being considered and given due importance (Anit Somech, 2006).

#### **2.4. Full Range Leadership Approach**

The Full Range Leadership Approach (FRLA) as developed by Bass and Avolio (1994; 1997) encompasses a range of leader behaviors. The range of behaviors starts with transformational leader behaviors to transactional leader behaviors reaching to the lowest leader interaction of laissez-faire leader behavior (Bass & Avolio, 1994).

Leadership is about influencing, motivating and enabling others to contribute toward the effectiveness and success of the organization of which they are members (McShane & Glinow, 2006). Studies in the last decade have focused on transformational and transactional leadership styles which were initially developed by Bass (1985). To motivate employees, the transactional leader uses tangible rewards (e.g. money and status) while the transformational uses intangible rewards (e.g. personal growth, self-esteem and professional values). Burns (1978) first introduced the concepts of transformational and transactional leadership in his treatment of political leadership but this term is now used in organizational psychology as well. Bass (1985) extended the work of Burns (1978) by explaining the psychological mechanisms that underlie transformational and transactional leadership.

The work of Bass and colleagues (Bass & Avolio, 1990a) expanded Burns's factors of leadership to include a third leadership style called laissez-faire leadership style. Bass (1990a) described the laissez-faire leader as an extremely passive leader who is reluctant to influence subordinates considerable freedom, to the point of abdicating his/her responsibilities. In a sense, this extremely passive type of leadership indicates the absence of leadership.

### **2.4.1. Transformational Leadership**

Burns (1978) defines transformational leadership as a style in which leaders encourage and motivate their subordinates to step beyond self-interests to build commitment for the organizational mission and objectives. Transformational leaders are willing to sacrifice their own interest over the shared goals and values of the organization (Bass & Avolio, 1990). Such leaders rely on the greater pool of knowledge and motivate problem-solving rather than constantly providing solutions (Buhler, 1995). This style of leadership emphasizes on inspiring followers by promoting the vision that followers would be able to achieve more than their own expectation with extra effort and they seek to arouse and satisfy higher needs. There are five factors which represent the components of transformational leadership as defined by (Bass, 1985) and (Avolio et.al., 1999) such as idealized influence (attributes), idealized influence (behavior) inspirational motivation, intellectual stimulation and individualized consideration.

**1. Idealized influence (attributes):** refers to leader behavior which results in followers identifying high level of respect and trust that leads to develop a strong sense of loyalty and emotional attachment. These leaders rely more on subordinates trust and faith rather than rules, position or tradition and they have achievable vision (Bass, 1990a).

**2. Idealized influence (behavior):** idealized influence behavior refers to leader behavior which results in followers identifying with leaders and wanting to emulate them. Leaders demonstrating idealized influence or charisma instill pride in their subordinates and command respect (Bass & Bass, 1990a; Avolio, 1990a). Employees have a high level of trust and confidence in such leaders, tend to adopt their vision, seek to identify with them and develop a strong sense of loyalty to them. A charismatic leader does not derive authority from rules, position or tradition but from the followers' faith and trust. Idealized influence is coupled with an emotional attachment of the followers to identify with the leader.

**3. Inspirational motivation:** reflects leaders' inspiration by giving meaningful challenges and tasks that make followers feel valued. Leaders of this type have high communication skills by which subordinates fully understand the organizational vision and feel that they are engaged and empowered to reach the vision (Bass & Avolio, 1994).

**4. Intellectual stimulation:** occurs when followers are encouraged by leaders to view problems and challenges as new opportunities for innovation. Leaders prompt subordinates to question assumptions and approach them from creative perspectives (Avolio et.al., 1999).

**5. Individualized consideration:** occurs when leaders attend to each follower as an individual and consider one-to-one capabilities and needs. In this perspective, leader will respect individual contribution and development (Bass & Avolio, 1994).

#### **2.4.2. Transactional Leadership**

Transactional leadership, also known as managerial leadership, focuses on the role of supervision, organization and group performance. Transactional leadership is a style of leadership in which the leader promotes compliance of his followers through both rewards and punishments. Unlike transformational leadership, leaders using the transactional approach are not looking to change the future; they are looking to merely keep things the same. These leaders pay attention to followers' work in order to find faults and deviations. This type of leadership is effective in crisis and emergency situations, as well as when projects need to be carried out in a specific fashion (Bass & Avolio, 1994).

Within the context of Maslow's hierarchy of needs, transactional leadership works at the basic levels of need satisfaction, where transactional leaders focus on the lower levels of the hierarchy. Transactional leaders use an exchange model, with rewards being given for good work or positive outcomes. Conversely, people with this leadership style also can punish poor work or negative outcomes, until the problem is corrected. One way that transactional leadership focuses on lower level needs is by stressing specific task performance (Hargis et al., 2001). Transactional leaders are effective in getting specific tasks completed by managing each portion individually.

Transactional leaders are concerned with processes rather than forward-thinking ideas. These types of leaders focus on contingent reward (also known as contingent positive reinforcement) or contingent penalization (also known as contingent negative reinforcement) Bass et al., (2003). According to Antonkies et al., (2003) contingent rewards (such as praise) are given when the set goals are accomplished on-time, ahead of time or to keep subordinates working at a good pace at different times throughout completion. Contingent punishments (such as suspensions) are given when performance quality or quantity falls below production standards or goals and tasks are not

met at all. Often, contingent punishments are handed down on a management-by-exception basis, in which the exception is something going wrong. Within management-by-exception, there are active and passive routes. Active management-by-exception means that the leader continually looks at each subordinate's performance and makes changes to the subordinate's work to make corrections throughout the process. Passive management-by-exception leaders wait for issues to come up before fixing the problems. With transactional leadership being applied to the lower-level needs and being more managerial in style, it is a foundation for transformational leadership which applies to higher-level needs (Bass et al., 2003).

### **2.4.3. Laissez-Faire Leadership**

Laissez-faire leadership is a “hands-off” approach to leadership. Laissez-faire leadership is also termed a non-leadership style. The laissez-faire leader avoids accepting responsibilities, absent when needed, fails to follow up on requests for assistance and resists expressing his or her views on important issues. The laissez-faire leader gives the majority of control in the decision-making process to the followers. Laissez-faire leadership assumes that followers are intrinsically motivated and should be left alone to accomplish tasks and goals. The laissez-faire leader does not provide direction or guidance (Northouse, 2001).

Laissez-faire leadership may be the best or the worst of leadership styles. If the leader follows the normally understood definition and standard practice of noninterference and “hands-off” when supposedly leading his or her followers, the worst form of leadership is manifested. However, when the twenty-first century properly prepares his or her followers, laissez-faire leadership emerges as the ultimate form of leading.

The two words laissez-faire and leadership are absolute direct opposites. The French term laissez-faire was originally used relative to mercantilism and it is defined in economics and politics as an economic system that functions best when there is no interference by government and considered a “natural” economic order that procures the maximum well-being for the individual and extends to the community. Leadership is defined as an interactive process that provides needed guidance and direction.

## **2.5. Introduction to Organizational Commitment**

Organizational commitment is a concept related to a lot of variables which affect the organizational behavior (Dee et al., 2006). Organizational commitment is defined as a process in which employees internalize the values of the organization, keep on staying at the organization to get the results of their investments on the organization and they think that staying at the organization is a moral and ethical responsibility (Allen & Meyer, 1990). According to Park and Rainey (2007) organizational commitments means the bound between organization and the employee. Bogler and Somech (2004) note that the employees engaged in the organization want to have active roles in the organization. They want to have an impact on the programs, procedures or strategies of the organization.

## **2.6. Components of Organizational Commitment**

Meyer and Allen (1990, 1991) identified three separable components reflecting are: affective, continuance and normative commitment to maintain employment in an organization.

The three-component model developed by Meyer and Allen has been subjected to the greatest empirical scrutiny and has arguably received the greatest support (For a review, see Meyer et al., 2002 and Meyer & Allen, 1997). Meyer and Allen (1991) argued that one of the most important reasons for distinguishing among the different forms of organizational commitment was that they have very different implications for behavior.

All three forms tend to bind employees to the organization. Therefore relate negatively to turnover, their relations with other types of work behavior can be quite different (Meyer et al., 2002).

**Affective commitment (AC):** entails an acceptance and internalization of the other party's goals and values, a willingness to exert effort on their behalf and a strong emotional attachment to them (Allen et al., 1979). Employees who are affectively committed to the organization will probably carry on working for it because they want to (Meyer & Allen, 1991).

**Normative commitment (NC):** entails perceived obligations to maintain employment memberships and relationships. In exchange for employment, employees feel compelled to reciprocate with loyalty, commitment that derive from morality, value-driven principles based on reciprocity norms and socialization practices (Meyer & Herscovitch, 2001). "Employees with a



high level of normative commitment feel that they ought to remain with the organization” (Meyer & Allen, 1991).

**Continuance commitment (CC):** involves appraisals of personal investments tied to one’s current employment and the availability of employment alternatives (Meyer & Allen, 1984). Continuance commitment “refers to the awareness of the costs associated with leaving the organization” (Meyer & Allen, 1991). Individuals with high continuance commitment remain with their organizations because they perceive the costs of leaving to be too great. This type of commitment indicates that employees remain because they have too much time invested (Meyer & Allen, 1991).

Becker (1960) originally proposed that people engage in consistent lines of behavior because of the inducements (side bets) to do so. Employers offer a variety of such inducements to retain employees, including job status, seniority and benefits. Further, employees often desire to avoid the social and economic costs of leaving (e.g. relocation costs and disrupted social networks). CC strengthens as these side bets accumulate, rendering employees more likely to stay with the organization. Meyer and Allen (1991) also indicate that an individual who’s most important connection to the organization is based on continuance commitment stay because they need to.

It has been recognized two sub-dimensions of continuance commitment held in various empirical studies (Vandenberghe et al., 2007; Bentein et al., 2005; Powell & Meyer, 2004; Meyer et al., 1990; McGee & Ford, 1987). Commitment due to a lack of alternative employment opportunities reflected commitment based on few existing employment alternatives. This commitment refrain the individual from leaving the organization, due to the perceived lack of more desirable employment opportunities (Bentein et al., 2005). Perceived sacrifice of investments associated with leaving the organization related to fear of losing benefits acquired by the organization during the years of work (Powell & Meyer, 2004). This commitment is driven by the perception of losing the investments done in the targeted organization if it is abandoned by the individual (Bentein et al., 2005).

## **2.7. Leadership Styles and Organizational Commitment**

Prior research suggests that work experiences, personal and organizational factors serve as antecedents to organizational commitment (Eby et al., 1999; Meyer & Allen, 1997, 1996, 1990).

One organizational factor that is considered a key determinant of organizational commitment is leadership (Mowday et al., 1982). Lee (2004) found out that transformational leadership correlates significantly with organizational commitment with samples of research and development professional in Singapore. Contrary, transactional leadership does not have significant relationship with organizational commitment. Hayward et al., 2004 findings have further indicated that no correlation was found between transactional leadership and affective, normative and continuance commitment. Limsila and Ogunlana (2007) found that the leadership style mostly adopted and proving to be most suitable for people is the transformational leadership. The links between transformational leadership and organizational commitment are well established (Walumbwa et al., 2005; Avolio et al., 2004; Walumbwa & Lawler, 2003; Dvir, Eden, Avolio & Shamir, 2002; Howell & Hall-Merenda, 1999; Kirkpatrick & Locke, 1996).

Essentially, the empirical and meta-analytic studies suggest that followers working with transformational leaders are more committed to their organizations and demonstrate fewer withdrawal behaviors (Walumbwa et al., 2004; Bono & Judge, 2003; Walumbwa & Lawler, 2003; Barling et al., 1996). Transformational leaders have great ability to influence organizational commitment by promoting the values which are related to the goal accomplishment, by emphasizing the relation between the employee's efforts and goal achievement and by creating a greater degree of personal commitment on part of both follower's as well as leaders for the achievement of ultimate common vision, mission and goals of the organization (Shamir, et.al, 1998). Transformational leaders influence followers' organizational commitment by encouraging followers to think critically by using novel approaches, involving followers in decision-making processes, inspiring loyalty, while recognizing and appreciating the different needs of each follower to develop his or her personal potential (Avolio, 1999; Bass & Avolio, 1994; Yammarino et al., 1993). This is further supported by Walumbwa and Lawler (2003) that transformational leaders can motivate and increase followers' motivation and organizational commitment by getting them to solve problems creatively and also understanding their needs.

Transformational leadership behavior may encourage employees in both regular and irregular ways to develop stronger employee commitment (Bass, 1985). Although transformational leadership has been conceptually and empirically linked to organizational commitment, there has

been little empirical research focusing on the precise ways in which style of leadership impacts employee organizational commitment (Bass, 1985).

## **2.8. Previous Empirical Study**

Under review of empirical researcher finding, the researcher thoroughly reviewed the study conducted by different researchers at different area of the study. However the contributes of findings relating to the development of organizational commitment were takes place in their country context, where to come on privacies finding:

*Nyengane (2007):* study on the relationship between leadership styles and employee commitment of an exploratory study a case of an Electricity Utility of South Africa at Eskom Eastern Region. The sample of instruments was leaders 86 and 334 raters. Leadership was identified as the independent variable and organizational commitment as the dependent variable. The research question using Multifactor Leadership Questionnaire was 45 items, which was formulated from Bass and Avolio's (1997) Full Range Leadership Development Theory. When employee commitment question was formulated by Bagraim's (2004), a South African adaptation of Meyer and Allen's (1997), three-component model of organizational commitment have 12 items. The correlation analysis showed that although the relationship is not strong, there is a positive relationship between the transformational leadership behaviors and commitment of affective commitment, continuance commitment and normative commitment. The correlation analysis also indicates a weak but significant, positive relationship between transactional leadership behaviors and continuance commitment. However, no statistically significant correlation was found between transactional leadership behaviors and affective commitment as well as between transactional leadership behaviors and normative commitment. The correlation results showed a weak but significant, negative correlation between laissez-faire leadership behaviors and affective commitment. There was no statistically significant correlation between laissez-faire leadership behaviors and continuance commitment as well as between laissez-faire leadership behaviors and normative commitment. The findings from this study suggest that transformational and transactional leadership behaviors do play important roles in determining levels of affective commitment, continuance commitment and normative commitment. These findings also reveal that the laissez-faire leadership behavior had a negative relationship with affective commitment. This research therefore adds a new dimension to the body of literature that

will help researchers' efforts to understand the relationship between leadership style and organizational commitment.

**Temesgen (2011):** study on the relationship between leadership style and employee commitment. The study area of the researcher was private higher educational institutions in Addis Ababa city. The purpose of study was to investigate the relationship between leadership styles (transactional, transformational and laissez-faire) and employee commitments (affective, continuance and normative commitment). The participants in the research academic staff 95 and 20 leaders. The researcher use separate instruments, namely multifactor leadership questionnaire (MLQ) have 27 items this question developed by Bass et al., (2003); Avolio et al., (2004) and organizational commitment questionnaire (OCQ) have 12 items, this question developed by Allen & Meyer's (1990). An item was using a 5-point Likert-scale. The findings of the study revealed that transformational leadership style has significant and positive correlations with affective and continuance employee commitments while transactional leadership style has significant and positive correlation with only normative commitment. A laissez-faire leadership style is found to be significantly and negatively associated with employees' affective commitment.

**Betsabeh(2013):** study on the relationship between leadership style and organizational commitment at survey in a Malaysian Contact Centre. The finding of study the relationship between different leadership styles, specifically transformational and transactional and the three components of organizational commitment (affective, continuance and normative) in a contact center setting. A cross-sectional survey was conducted among 300 employees in a contact center in Kuala Lumpur, Malaysia. The MLQ and OCQ questionnaire was based on a literature review and the questions for the instruments were obtained from Bass and Avolio (1997) and Allen and Meyer (1997) respectively. All items were measured using a 5-point Likert-scale. The findings add to the body of literature on the study of contact centers by examining the relationship between leadership style and organizational commitment. The finding result of transformational leadership style significant and positive with affective commitment, continuance commitment and normative commitment. And also transactional leadership style significant and positive relation with on affective commitment, continuance commitment and normative commitment. Thus the highest impact of transactional leadership is on affective commitment.

***Hasbullah (2008):*** study on the relationship between leadership behavior and organizational commitment in co-operative societies in Peninsular Malaysia. The sample size was 360. independent question developed by (Ansari, 1990; Bhal & Ansari, 2000; Sinha, 1994) were adopted to measure the leadership behaviors of the co-operative leaders. The scale consisted of three dimensions of behavior – nurturant-task (10 items), participative (10 items) and autocratic (10 items). The dependent variables of employees commitment was examined using Meyer and Allen's (1997). Three component model of employee commitment number of questions were affective (6 items), continuance (6 items) and normative (6 items). The findings of study suggest, autocratic and Nurturant Task + Participative (NTP) do play important roles in determining the levels of employee's commitment. Leaders should consider in matching both leadership styles based on the situation of their subordinate. NTP was also found to be significant in promoting new employees commitment. Since no similar research has been done in co-operatives, this finding may contribute to the understanding and improvement of employee's commitment in co-operative societies in Malaysia. Regression analysis was analyzed that showed mixed results of leadership style. NTP has inverse relation with affective commitment, while autocratic leaders showed no significant relationship. However, NTP and autocratic leaders both showed positive significant results with normative and continuance commitment of employees. Tenure was found to be high among new and experienced employees if the leaders adopted high level of NTP behavior. Experienced employees possessed more stable high commitment regardless of leaders behavior, however new employees commitment are totally dependent on the leader's NTP behavior.

***Bučionienė and Škudienė (2008):*** study on the impact of leadership styles on employees' organizational commitment in Lithuanian Manufacturing Companies. The survey included the total population of 224 middle level managers from five manufacturing companies in Lithuania. A total of 191 usable questionnaires were obtained. The survey questionnaire was composed of the introduction; questions designed to identify leadership style (adapted from Bass and Avolio (1993) MLQ 5X short form; questions designed to measure employees' commitment to an organization (adapted from questionnaire by Meyer and Allen (1997); and questions designed to measure satisfaction with an immediate supervisor. The researchers found the transformational leadership have strongest and significant, positive correlation with affective commitment, slightly weak and significant, positively related to continuance commitment and normative commitment. Transactional leadership has strong relation and significant, positively related between affective

commitment, weak and significant, positive relation with continuance commitment. While laissez-faire leadership style is negatively related to affective commitment and no relationship with continuance commitment and weak and negative correlation with normative commitment.

***Keskes (2013):*** study on the relationship between leadership styles and dimensions of employee organizational commitment: A critical review and discussion of future directions Universitat Politècnica de Catalunya (Spain). The aim of the study was discussion of the relationship between leadership styles and dimension of employee organizational commitment. Both styles of leadership known as transformational and transactional styles differ in the process by which the leader motivates his subordinates. Organizational commitment defined by its three types (affective, normative and continuance) measures the strength of an individual identification with and involvement in the organization. The finding of the study was relationships between leadership styles and organizational commitment has shown how leadership dimensions can influence employee organizational commitment. Although there is considerable research available suggesting that transformational leadership is positively associated with organizational commitment in a variety of organizational settings and cultures.

***Michael & Portia (2011):*** study on the relationship between leadership style and employees' commitment: A study of Ghana Oil Palm Development Company Limited. The main aim of the study was to investigate the relationship between leadership and skilled employees' commitment in the company using Full Range Leadership Development Theory and three-component model of employee commitment. The total sample they took was 15 leaders (managers) and 45 subordinates out total population of 250 total staffs. They expressed their findings in figure form rather than in numeric values. They found a positive relationship in between transformational leadership style and affective commitment while negative relationship with both continuance & normative commitment. They also found a positive relationship in between transactional leadership style and normative commitment while negative with that of both affective and continuance commitment. Finally, their result showed positive relationship between laissez-faire leadership style and continuance commitment but negative relationship with affective and normative commitment.

## **2.9. Summary of the Empirical Finding and Gap**

Where to come the summery of the above empirical finding of the previous studies conducted by researchers on the relationship between leadership style and employee commitment, most

researchers conducted about to large business organization but Temesgen (2011) study about private higher educational institutions.

Except Hasbullash (2008), all researchers used MLQ obtained from Bass and Avolio (1997) and OCQ instrument obtained from Allen and Meyer (1997). All items were measured using a 5-point Likert-scale. However, Betsabeh (2013) and Keskes (2013) used two types of leadership styles, transformational and transactional. And also Hasbullash (2008) independent variable was Nurturant Task (NT), Participative and Autocratic and Questionnaire developed by (Ansari, 1990; Bhal & Ansari, 2000; Sinha, 1994 and OCQ instrument developed by Meyer & Allen's (1997). Independent variable of Keskes (2013) and Betsabeh (2013) study was focused only transformational and transactional leadership style and exclude laissez-faire leadership style.

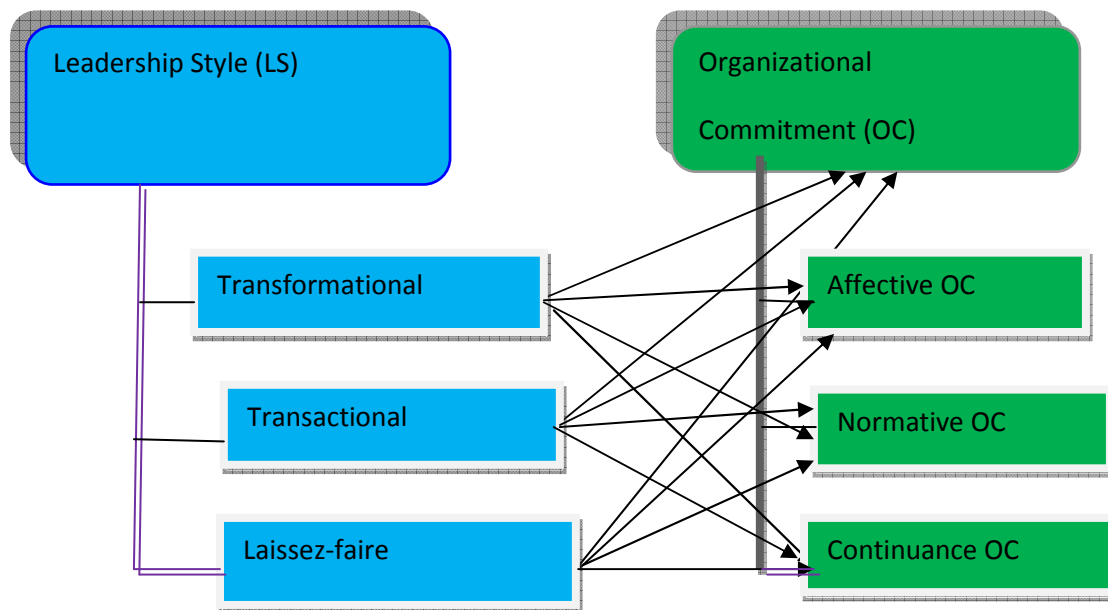
The researcher found the gap that few researchers examined leadership style in view of Full-Range Leadership Theory like, Temesgen (2011) MLQ didn't include all 36 questions but also they used only 27 questions. He mentioned as all factors under each leadership styles consist of three questions of MLQ while contingent reward factor consists of only two questions and management by exception active (MBEa) consists of four questions.

In country level as per the researcher's knowledge, there seems no comprehensive study on the governmental health institution relationship like University of Gondar Hospital. Thus, these gaps lead the researcher to conduct a research and need to study using full range leadership theory on the relationship between leadership style and employee commitment on University of Gondar Hospital.

## **2.10. Conceptual Framework**

The aim of the research was to assess the relationship between leadership style and employees' organizational commitment with governmental health institution of University of Gondar Hospital a particular reference to health professional academicians in their profession and administrative staffs. The below figure 2.1 shows the proposed conceptual framework *adopted and modified from Bučiūnienė and Škudienė (2008) which is going to be thoroughly dealt in order to come up with relevant information.*

Figure 2.1 Conceptual Framework of the leadership style and employee commitment



Source: Adapted and modified from Bučiūnienė & Škudien, (2008)



## **CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY**

### **3.1. Research Design**

The research design was used descriptive survey method. The nature of this study lends towards correlation research, investigating the relationship between leadership style being practiced with in health institution and employee commitment to the institution. The study is also a cross-sectional in the relationship between the dependant and independent variables of the study.

### **3.2. Population and Sample**

#### **3.2.1. Research Target**

The target population of this study included both the institutional leaders and employees of health professional's academicians in their profession and administrative staff.

Since the purpose of this study is to assess the relationship between leadership styles and employee commitment by surveying employees and leaders from governmental health institution in UGH.

#### **3.2.2. Population Size**

The target population size of the study was 1304 (1250 employees and 54 leaders) from administration staff and health professional academicians in their profession in all departments on UGH. The researcher includes all permanent employees and leaders.

#### **3.2.3. Sample Size Determination**

According to Williams (1997) it was necessary to select a subsection of the element from the population under consideration to make the research more manageable. If this subsection is chosen following the correct principals it shall be possible to draw inference about the characteristics of population on the basis of the statistics derived to take the sample section from the UGH, which are totally 1304 employee.

The sample size determination formula was developed by (Yamane, 1973) to calculate sample size. At 95% confidence interval and P= 5%, are assume for the equation.

$$n = \frac{N}{1+e^2N}$$

Where N = total population of employees and leaders of UGH

e = error tolerance (0.05)

n= sample size

### 3.2.4. Sample Size

Base on the above formula, sample size  $n = \frac{N}{1+e^2N}$

The sample size of the employees  $n = \frac{1304}{1+0.05^2(1304)} = 306$

### 3.2.5. Sampling Method

The population of the study is taken from UGH leaders and employee was selected by stratified random sampling (proportionate stratified sampling) techniques from each employees. Stratified random sampling allows the study to obtain a greater degree of representativeness thus reducing the probable sampling error and to ensure that different groups in a population are adequately represented in the sample regardless of demographic variables. According to Cochran and Schreuder *et al.* (1977 and 1993, as cited in Czaplewski *etal.*, 2004), numerous reasons may be given as justification for stratified sampling. First; stratification is used to increase the precision of population estimates. A second reason for stratification is that it may contribute to avoiding estimation bias depending on the estimator select and a third reason for stratification is to accommodate different sampling protocols or different estimation procedures for different subpopulations of employees. Then this study includes 13 leaders and 293 employees of the institution. Generally, the total sample size respondents are 306.

The sample proportion of employees and leader was  $n = \frac{306}{1304} = 23.46\%$ . After sampling size determination employee selected by department using randomly.

**Table 3.1: Sample size of respondents of UGH**

<b>Respondents</b>	<b>Number</b>	<b>Percentage</b>	<b>Sample size</b>
<b>Total Employees</b>	<b>1250</b>	<b>23.46%</b>	<b>1250 x 23.46% = 293</b>
Health professional	850	23.46%	850 x 23.46% = 199
Administrative staff	400	23.46%	400 x 23.46% = 94
<b>Total Leaders</b>	<b>54</b>	<b>23.46%</b>	<b>54 x 23.46% = 13</b>
Health professional	25	23.46%	25 x 23.46% = 6
Administrative staff	29	23.46%	29 x 23.46% = 7
<b>Total</b>	<b>1304</b>		<b>306</b>

Source: UGH, HRM head information center on June, 2015

### **3.3. Research Instrument**

To conduct this study used both primary and secondary data. According to Biggam (2008), primary data is the information that the researcher finds out by him/herself regarding a specific topic. The source of primary data is questionnaire and secondary data like journals, books, articles, master thesis, dissertation and internets were also used. Primary data was gathered from UGH administration staff and health professional employee's and leaders. The first part of the research questionnaire is designed to collect information on demographic characteristic of respondents consists 6 items like sex, age, educational qualification, occupation, stratum (group) and service time in years also used. The research questionnaire was checked by the advisor and also other professionals in the area for completeness, clarity, exhaustiveness, consequently and a necessary correction was made on the basis of their comments before the actual data collection. For the purpose of this study, a quantitative methodology involving a closed-ended questionnaire was used as the measuring instrument. The close-ended questionnaires can be administered to groups of people simultaneously, since they are cheap, have standardized answers, simple to combined data, less costly and less time- consuming than other measuring instruments. All the necessary data for this study was collected from the respondents through questionnaire.

#### **3.3.1. Multifactor Leadership Questionnaire (MLQ)**

Multifactor Leadership Questionnaire (MLQ) developed by Bass and Avolio (1997), it was the second part of questionnaire. This questionnaire consists of two versions (leader's and the employee's version). MLQ is formulated from the Full Range Leadership Theory and it consists of

36 items. Transformational leadership include idealized influence (attributed), idealized influence (behavior), inspirational motivation, individualized consideration and intellectual stimulation. Transactional leadership style is represented by two factors called contingent rewards and management-by-exception. Management-by-exception is also divided into management-by-exception-active (MBEa) and management-by-exception-passive (MBEp). Laissez-faire leadership represent only laissez-faire. Each variable has 4 items. The MLQ comprises by 5-point Likert scale. The scale ranges from 0 to 4 as follows:

0 = not at all

1 = once in a while

2 = sometimes

3 = fairly often

4 = frequently if not always

High score shows high effectiveness of leadership style perception while low score implies low effectiveness perception in the scale.

### **3.3.2. Organizational Commitment Questionnaire (OCQ)**

The third part of the questionnaire was OCQ. According to the (Allen & Meyer, 1991;1990; 1984) of the OCQ contained 24 items (8 items for each scale), the later version by Meyer and Allen (1997) as well as Meyer et al.,1993 only contained 18 items (6 items for each scale). In this study the affective, continuance and normative commitment of employees was assessed through the administration of Bagraim's (2004) adaptation of Meyer and Allen's (1997) 18 items' three dimensional commitment measure. Bagraim (2004) found that his 12 item adaptation of the multi-dimensional approach, as evident in Meyer and Allen's (1997) measure. However, OCQ was developed by Meyer and Allen (1997). According to Meyer and Allen (1997), measurement of OCQ was three dimensions such as affective commitment, continuance commitment and normative commitment. OCQ consists 12 items and each variable has 4 items. The OCQ comprises by 5 point Likert scale. The scale ranges from 0 to 4 as follows:

0 = strongly disagree

1 = disagree

2 = neither agree nor disagree

3 = agree

4 = strongly agree

High score shows high employees' organizational commitment perception while low score implies low perception in the scale.

### **3.4. Validity and Reliability test of the instrument**

#### **Reliability**

According to Bless and Higson-Smith (2000), reliability is concerned with the consistency of the instrument and an instrument is said to have high reliability if it can be trusted to give an accurate and consistent measurement of an unchanging value. Reliability measures the internal consistency of the model. In this research, Cronbach's alpha has been used to test the reliability of measures.

Brett, Hayward (2005) investigate the reliability of MLQ where found Cronbach's alpha value for all subscales ranging from 0.69 to 0.79 and Barbara (2003) also used found all subscale's alpha value ranging from 0.67 to 0.82. The reliability of OCQ also, Allen and Meyer (1990) reported all subscale's alpha value ranging from 0.75 to 0.8, Dunham et.al., 1994 found all subscales alpha ranges of 0.67 to 0.87 and Cohen (1996) discovered alphas of all subscale's alpha ranging from 0.65 to 0.79.

However, Sekaran (2000) provide the following rules of thumb: the variable coefficients less than 0.6 are considered poor, coefficients greater than 0.6 but less than 0.8 are considered acceptable and coefficients greater than 0.8 are considered good. In this study, the researcher was test the reliability of the research instruments by using Pilot test, it was carried out obtained from 30 respondents of the UGH employee. The reliability of the instrument was tested by Cronbach's alpha statistic with the help of SPSS Version 16. Table 3.2 shows that MLQ variables have cronbach's alpha score greater than 0.784. Based on the rule of Sekaran (2000), the reliability MLQ variables indicated as acceptable and good.

**Table3.2 MLQ's Cronbach's alpha reliability of the researcher**

Subscales	Cronbach's alpha
Idealized Influence (Attributes) (IA)	0.794
Idealized Influence (Behavior) (IB)	0.797
Inspirational Motivation (IM)	0.797
Intellectual Stimulation (IS)	0.803
Individualized Consideration (IC)	0.801
Transformational Leadership Style	0.784
Contingent Reward (CR)	0.832
Management by Expectation-Active (MBEa)	0.832
Management by Expectation-Passive (MBEp)	0.832
Transactional Leadership Style	0.832
Laissez-Faire	0.856
Overall Leadership Style	0.827

Source: (Survey Data, 2015)

While the reliability of the OCQ, Allen and Meyer (1990) reported Cronbach's alpha of the affective commitment scale 0.87, continuance commitment scale 0.75 and the normative commitment scale as 0.79. Dunham et.al., 1994 found alpha ranges of 0.74 to 0.87 for affective, 0.73 to 0.81 for continuance and 0.67 to 0.78 for normative commitment. Cohen (1996) discovered alphas of 0.79 for affective, 0.69 for continuance and 0.65 for normative commitment.

However, by the Sekaran (2000) rule, this researcher was test the reliability of the OCQ. Table 3.3 shows that OCQ variables have cronbach's alpha score between 0.874 and .884. According to, Sekaran (2000) rule all variables result was above 0.8. It indicated that the Cronbach's alpha good based on the rule of Sekaran (2000).

**Table 3.3 OCQ's Cronbach's alpha reliability of the researcher**

Subscales	Cronbach's alpha
Affective commitment	0.876
Continuance commitment	0.874
Normative commitment	0.884
Organization commitment	0.861

Source: (Survey Data, 2015)

## **Validity**

The validity of an instrument refers to how well an instrument measures the particular concept it is supposed to measure (Whitelaw, 2001). He argues that an instrument must be reliable before it can be valid, implying that the instrument must be consistently reproducible; and that once this has been achieved, the instrument can then be scrutinized to assess whether it is what it purports to be. The MLQ has been tested for reliability and validity in many settings (Pruijn and Boucher, 1994). Bass (1985b), Bass and Avolio (1989) as well as Yammarino and Bass (1990) have proved the content and concurrent validity of the MLQ. MLQ, has the researcher reached on consensus regarding the external validity of OCQ instrument and conducted an internal consistency and validity. According to Avolio and Bass's (1997) of MLQ and Meyer and Allen (1997) of OCQ manual shows strong evidence for validity. MLQ and OCQ has been used by so many research programs, doctoral dissertations, and master's theses, along with several constructive like, Brown's dissertation (2003), Hughes's dissertation (2005), Nyengane of thesis (2007), Bučiūnienė and Škudienė thesis (2008), Hasbullah of thesis (2008), Saqer's thesis (2009), Michael and Portia thesis (2011), Temesgen of thesis (2011), Betsabeh of thesis (2013) and Imen Keskes of thesis (2013) at difference purpose, like doctoral dissertations and master's theses at different organizations.

### **3.5. Data Analysis Technique**

After the data collected, it was necessary to utilize statistical techniques to analyze the information as this study. Therefore, the survey data was processed using an SPSS version 16. First the relevant data was coded, summarized and transferred to SPSS to be analyzed and presented.

The descriptive statistical results was summarize the respondents profile in the form of frequency and percentages where as the descriptive statistics such as mean and standard deviations of employees answers to leadership styles and employee commitment scales was calculated in order to determine employees' perceptions of leadership styles and employees' organizational commitment. And also researcher used to calculate mean and standard deviations of leaders' answers to leadership styles in order to determine their perceptions. The researcher data statistically analysis used by two-tailed Pearson correlation analysis and simple linear regression analysis to investigate the relationship between leadership styles and employee commitment dimensions.

### **3.6. Independent and Dependent Variables of the Study**

The variables those are used in measuring full range leadership theory considered separately as independent variables. The subscales for these variables are contained in the MLQ. On the other hand, three separate measures of employee commitment dependent variables for these variable contained OCQ.



**Table 3.4: Independent and dependent variables**

<b>Independent variable Measures</b>		
Instrument	Variables	Scales/Subscales
Multifactor Leadership Questioners (MLQ )	Transformational leadership	Idealized Influence (Attributed)
		Idealized Influence (Behavior)
		Inspirational Motivation
		Intellectual Stimulation
		Individual Consideration
	Transactional leadership	Contingent Reward
		Management-by-Exception (Active)
		Management-by-Exception (Passive)
	Laissez-Faire leadership	Laissez-Faire
<b>Dependent variable Measures</b>		
Instrument	Variables	Scales/Subscales
Organizational Commitment Questioner (OCQ)	Employee commitment	Affective commitment
		Continuance commitment
		Normative commitment

## **CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSIONS**

### **4.1. Characteristics of the Targeted Sample**

#### **4.1.1 Response rate**

As previous chapter Table 3.1 indicated of a sample 13 leaders was targets from a population 54. From the total result 9 (69%) leaders successfully completed and returned the questionnaires. A sample of 293 employees was targeted from a population 1250. A total result of employees 274 (93.5%) questionnaires were completed and returned. Finally, the total sample size includes leaders and employees were 283 (92%).

#### **4.1.2. Demographic Data**

The total target participants, participated in this study from the institution was 283 responses valid (9 from leaders and 274 from employees) permanent employees and leaders by the health profession and administrative staffs, which were received in the June, 2015. Analysis of demographical data includes their sex, age, educational level, occupation, stratum group and service time (experience) in the institution. Simple percentage analysis was used to analyze the data collected.

A summary of respondent background information is presented in Table 4.1. Out of 283 respondents 169 (59.7%) of the participants were males and 114 (40.3%) females in the institution. From the occupation participants were 210 (74.2%) health professional and the remaining 73 (25.8%) administrative staff. While from the stratum group 9 (3.2%) were leader and 274 (96.8%) employees of in the institution. Most respondents 163 (57.6%) were aged 46 to 55 years old, 86 (30.4%) respondents aged 36 to 45 years old and the remaining 34 (12.3%) respondents aged 35 and below 35. With regard to education level 190 (67.1%) respondents have first degree, 37 (13.1%) respondents have doctorate degree, 20 (7.1%) respondents have second degree and the remaining 36 (12.7%) respondents have below diploma and diploma. In terms of service time or experience in the institution, majority 134 (47.3%) respondents having above 7 and 7 year experience, 74 (26.1%) respondents have belonged to the experience category 5 to 6 year and the remaining 75 (26.5%) respondents having 3 and below 3 year experience.

**Table 4.1 Demographic statistics of leaders and employees on University of Gondar Hospital, 2015**

	Variables	Frequency	Percent
Sex	Male	169	59.7
	Female	114	40.3
	Total	283	100
Age group	<26	1	0.4
	26 to 35	33	11.7
	36 to 45	86	30.4
	46 to 55	163	57.6
	Total	283	100
Educational Qualification	=<12	9	3.2
	Diploma	27	9.5
	1st Degree	190	67.1
	2nd Degree/ Master	20	7.1
	Doctorate Degree	37	13.1
	Total	283	100
Occupation	Health profession	210	74.2
	Administrative staff	73	25.8
	Total	283	100
Stratum group	Leader	9	3.2
	Employee	274	96.8
	Total	283	100
Service time	0 to 2	36	12.7
	3 to 4	39	13.8
	5 to 6	74	26.1
	7 and above	134	47.3
	Total	283	100

Source: Own survey

#### **4.2. Descriptive Statistics for Leadership Styles and Employees Organizational Commitment**

Descriptive statistics are used to summaries descriptive data (mean and standard deviation).The common purpose of these techniques is to summaries both variability (that is the spread of the numbers) and the centre of data. Sekaran (2000) describes the mean of a sample as “a measure of central tendency that offers a general picture of the data without unnecessarily inundating one with each of the observations in a data set or sample”. The standard deviation of a sample is defined as

an index of the spread of a distribution or the variability in the data. Given these definitions the mean and standard deviation of each variable are detailed.

#### **4.2.1. Descriptive Statistics of Employees response to Leadership Styles**

Table 4.2 holds descriptive data for the five transformational leadership subscales, three transactional leadership subscales and laissez-faire leadership. The distribution of scores for the sample contained reasonable variance and normality for use in subsequent analyses.

This descriptive statistics measure the extent of employees' perception about the leadership styles being practiced in the institution. The sample size for all variables (leadership and commitment) is 274 indicating that leaders' responses are excluded because here the purpose is to determine employees' perception to current institutional leadership styles.

In this study the mean values of transformational leadership subscales between 1.96 to 1.86 and having the standard deviation values of 0.57 to 0.49.

With regard to the empirical researchers result indicates that Temesgen (2011) the mean values of the transformational leadership subscales between 2.12 to 2.53 and having the standard deviation value of nearly 1.0. Nyengane (2007) found the result of mean values for each of the transformational leadership subscales are all relatively close to 3.0.

The current finding result of mean values of the transformational leadership subscales different from empirical finding result of Temesgen (2011) and Nyengane (2007). This indicates that need consider the response of employee.

The mean score of transformational leadership subscale is less than the suggestion point of Bass and Avolio (1997); Bass et al., (2003) consider "ideal" levels for effective leadership. For the most effective leadership, they suggest mean scores of greater or equal to 3.0 for individualized consideration, intellectual stimulation, idealized influence (behavior), idealized influence (attribute) and inspirational motivation. But the mean scores for the subscales in this study are less than suggestion point 3.0.

The current study result overall mean score for transformational leadership is which 1.92 is very far from the suggested mean score of 3.0. This mean scores suggest that employees perceived their immediate managers as not displaying the ideal levels of transformational leadership behaviors.

Table 4.2 shows the transactional leadership mean subscale scores between 1.81 to 1.67 and having the standard deviation value of 0.51 to 0.41.

The other researchers result show that Temesgen (2011) transactional leadership mean value ranges from 1.66 to 2.31 and standard deviation of nearly 1.0. Nyengane (2007) transactional leadership mean value ranges from 1.15 to 2.81.

The current finding result of transactional leadership subscale mean value different from the previous finding result of Temesgen (2011) and Nyengane (2007). It was needed consider the response of employee.

However, Bass and Avolio (1997) also suggested a mean score of 2.0 for contingent reward, while this study's sample data mean score is 1.81, which is less than the suggested a mean score (2.0). The suggested range for management-by-exception (active) was 1.0 to 2.0 and the mean score obtained for the current study was 1.79, this is already within the suggested range. In the same way, the mean value management-by-exception (passive) in this study is 1.67 which is the mean score of subscales higher than the suggested point (1.0 and 0.0).

The mean value of contingent reward suggests that some employees perceived their leaders as doing a below average job of clarifying expectations and recognizing accomplishments. According to Bass and Avolio (1997) this indicate that, a leader did not discusses with followers what is required of them, not clarifies how these outcomes are to be achieved and the reward they will receive in exchange for their satisfactory effort and performance. This is also similar for the management-by exception (active) mean, which entails that some employees perceived their leaders as taking corrective action immediately when deviations occur. The result management-by-exception-passive show that most employees' perception regarding their leader is that their leaders do not actively monitor performance but instead wait until deviations occur and then implement a corrective action. In this style of leaders allow the status quo to exist as long as the old ways are working; if things go wrong, however, the leaders will take actions that often have a negative connotation (Emery & Baker, 2007). From the study's value, the researcher found as the extent of this type of leadership is highly implemented in the institution than others as per the perception of employees'.

The result of Table 4.2 laissez-faire leadership mean values is 1.27 and the standard deviation value 0.50.

The empirical study result of that Temesgen (2011) laissez-faire leadership mean value is 1.75 and standard deviation is 1.02. Nyengane (2007) the mean values for laissez-faire is less than the suggestion point 1.0.

In this study, the laissez-faire leadership mean value different from the previous finding result of Nyengane (2007) and Temesgen (2011). But the results of Nyengane (2007) mean value of laissez-faire leadership within the suggestion point.

Bass and Avolio (1997) suggested a mean score of laissez-faire between 1.0 and 0.0. However mean scores of employees' response for this study above the suggested ranges of 1.0 and 0.0.

**Table 4.2 Descriptive statistics of employees response to leadership styles on University of Gondar Hospital, 2015**

Items	N	Mean	Std.Deviation
Idealized influence (attributes)	274	1.96	0.57
Idealized influence (behavioral)	274	1.93	0.49
Inspirational motivation	274	1.92	0.56
Intellectual stimulation	274	1.93	0.54
Individualized consideration	274	1.86	0.57
Transformational	274	1.92	0.46
Contingent reward	274	1.81	0.46
Management-by-exception-active	274	1.79	0.51
Management-by-exception-passive	274	1.67	0.49
Transactional	274	1.76	0.41
Laissez-faire	274	1.27	0.5
Valid N (list wise)	274		

Source: Own survey

#### **4.2.2. Descriptive Statistics of Employees response to Organizational Commitment**

Table 4.3 presented the mean value and standard deviations of the employees' commitment to their institution. In this study mean scores of affective commitment 1.88 and standard deviation 0.68, normative commitment mean score 1.87 and standard deviation 0.67 and continuance commitment mean score 1.88 and standard deviation 0.67.

The other study result obtained from Nyengane (2007) mean score and standard deviation of affective commitment has 2.43 and 1.05, continuance commitment has 2.17 and 1.10, and normative commitment has 1.77 and 1.05 respectively. Temesgen (2011) the mean value and standard deviation scores for each of the employee commitment scales are ranked by respondents as affective commitment has 2.41 and 0.83, continuance commitment has 1.51 and 0.88, and normative commitment has 2.07 and 0.72 respectively.

In this study, affective and continuance commitment mean value different from the previous finding result of Nyengane (2007) and Temesgen (2011). The normative commitment means value similar from the previous finding result of Nyengane (2007) and different Temesgen (2011).

In describing the application of their OCQ scales, Allen & Meyer (1990) do not provide guidance about average, required, ideal or expected means value for affective, continuance and normative commitment respectively.

Instead, they and other researchers (Allen & Meyer, 1996; Dunham et al., 1994) examined whether there was a positive or negative relationship between the different types of organizational commitment, the outcomes that are being measured, as well as the pattern for those findings and their level of influence. While the result of this study employee response about their organization commitment are almost similar mean value and standard deviation.

While the result of this study employee response about their organization commitment almost similar mean value and standard deviation, however mean score of employee organizational commitment was low. This result indicates that institution require their employees to develop organizational commitment should provide compressive training that will encourage leadership to exhibit leadership behavior such as building trust, inspiring a shared vision, encourage creativity, emphasizing development and recognizing accomplishment. Leaders can play a role in building commitment by assuring that the organizational make effort to address both the work content and

the work context by engaging in management practices to minimize employee alienation. They should demonstrate their commitment to the employees by sharing information, provide for the development and growth of employees within the institution and offer more than customer satisfaction. In this era of empowered employees and team, leaders still need to communicate to their subordinates the sense that the institutional respect them and value the contribution that they make.

**Table 4.3 Descriptive statistics of employees response to employee commitment on University of Gondar Hospital,2015**

Items	N	Mean	Std.Deviation
Affective commitment	274	1.88	0.68
Normative commitment	274	1.87	0.67
continuance commitment	274	1.88	0.67
Organizational commitment	274	1.88	0.67
Valid N (list wise)	274		

Source: Own survey

### **4.3. Comparisons between Leader and Employee responses on Leadership Styles**

Table 4.4 present the results of descriptive statistics for employees and leaders responses to MLQ. T-test is used to compare the means of leaders and employees independent samples. In this case, the significant differences, between the two (leaders and employees) samples on the dimensions of the questionnaires are determined. T-test also require the data to be normally distributed, but are not sensitive to violations of the normality assumption unless the data is extremely non-normal. The standard deviations and standard error mean of the two samples (employees and leaders) are compared to determine whether their perception is similar or different to leadership styles based on the dimensions of the questionnaires.

Table 4.4 show the result of study that mean score for employees' responses on each of the transformational leadership subscales range from 1.96 to 1.86 with the standard deviation values from 0.57 to 0.49 whereas for those of leaders has mean scores range from 2.25 to 2.08 with standard deviation values from 0.59 to 0.43. On the other hand, transactional leadership subscales mean value range from 1.81 to 1.67 and standard deviation of nearly 0.51 to 0.46 for employees'



responses, while leaders' responses on each of the transactional leadership subscales mean value range from 2.36 to 1.33 and standard deviation values 0.53 to 0.25. While the laissez-faire leadership subscales ranges from 1.27 mean score and standard deviation of nearly 0.50 for employees' responses while mean score 1.25 and 0.40 standard deviation values for leaders' responses.

When taken as a whole the leaders' responses leadership mean scale higher than employees response, while management-by-exception (passive) and laissez- faire leadership mean scale leader response lower than employee response.

While earliest study Temesgen (2011) implies that mean values of the all leadership subscales with an exception of management-by-exception (passive) and laissez-faire, the leaders' responses has higher mean scores than to those of employees' responses and Nyengane (2007) except the management-by-exception (active), management-by-exception (passive) and laissez-faire, the leaders' responses has higher than mean scores employees' responses.

Generally, the descriptive statistics result of this study different from the empirical study result. This indicates that need consider the response of employee.

According to Bass & Avolio (1997), transformational leadership suggested that one for the most effective mean scores is greater or equal to 3.0, when the current study of the mean score was less than the suggested benchmark that is the average of leaders' responses indicates (2.16) and employees' responses indicates (1.92). In the case of transactional leadership, contingent reward, the mean scores for leader's response (2.19) was close to the suggested mean score (2.0) but employee's response (1.81) less than the suggested point. Management-by-exception (active) the mean scores of employees (1.79) within the suggested ranges (1.0 and 2.0) and leaders (2.36) higher than the suggested ranges (1.0 and 2.0). The mean scores of management-by-exception (passive) leader's response indicate 1.33 and employee's response indicates 1.67, there is higher than the suggested point (0.0 to 1.0). Laissez-faire means score of leader's response 1.25 and employee's response 1.27 is higher than the suggested mean scale of (0.0 to 1.0).

**Table 4.4 T-test result for comparison of the MLQ leaders and employees responses on University of Gondar Hospital, 2015**

	Stratum group	N	Mean	Std.	Std.
				Deviation	Error Mean
Idealized influence (attributes)	Leader	9	2.25	0.43	0.14
	Employee	274	1.96	0.57	0.03
Idealized influence (behavioral)	Leader	9	2.08	0.59	0.20
	Employee	274	1.93	0.49	0.03
Inspirational motivation	Leader	9	2.19	0.53	0.18
	Employee	274	1.92	0.56	0.03
Intellectual stimulation	Leader	9	2.19	0.48	0.16
	Employee	274	1.93	0.54	0.03
Individualized consideration	Leader	9	2.08	0.59	0.20
	Employee	274	1.86	0.57	0.03
Transformational	Leader	9	2.16	0.51	0.17
	Employee	274	1.92	0.46	0.03
Contingent reward	Leader	9	2.19	0.53	0.18
	Employee	274	1.81	0.46	0.03
Management-by-exception-active	Leader	9	2.36	0.44	0.15
	Employee	274	1.79	0.51	0.03
Management-by-exception-passive	Leader	9	1.33	0.25	0.08
	Employee	274	1.67	0.49	0.03
Transactional	Leader	9	1.96	0.27	0.09
	Employee	274	1.76	0.41	0.02
Laissez-faire	Leader	9	1.25	0.40	0.13
	Employee	274	1.27	0.50	0.03

Source: Own survey

The analysis results of the T-test for equality of mean scores are presented in the Table 4.5. This test measures whether the difference is significant or not between the mean scores of the two

samples (employees and leaders) for MLQ. Confidence interval of the difference is 95% (i.e.  $p \leq 0.05$ ).

The result of T-test of equality mean value indicates that the transformational leadership and transactional leadership variables are significant but laissez-faire leadership is insignificant. This significant difference implies as there are major differences between leadership behaviors which are being practically exercised and behaviors which are being perceived by the employees of the organization.

**Table 4.5: T-test results for equality of mean scores of MLQ (leaders and employees) on University of Gondar Hospital, 2015**

		t-test for Equality of Means		
		T	Df	Sig. (2-tailed)
IA	Equal variances assumed	1.544	281	0.024
	Equal variances not assumed	2.313	9.299	0.045
IB	Equal variances assumed	0.874	281	0.032
	Equal variances not assumed	0.976	8.678	0.035
IM	Equal variances assumed	1.363	281	0.011
	Equal variances not assumed	1.697	8.86	0.125
IS	Equal variances assumed	1.361	281	0.021
	Equal variances not assumed	1.835	9.027	0.1
IC	Equal variances assumed	0.983	281	0.327
	Equal variances not assumed	1.086	8.663	0.307
TA	Equal variances assumed	1.548	281	0.123
	Equal variances not assumed	1.411	8.437	0.194
CR	Equal variances assumed	1.451	281	0.018
	Equal variances not assumed	1.774	8.826	0.11
MBEa	Equal variances assumed	2.525	281	0.012
	Equal variances not assumed	3.52	9.105	0.006
MBEp	Equal variances assumed	-2.048	281	0.001
	Equal variances not assumed	-3.831	10.18	0
TS	Equal variances assumed	1.515	281	0
	Equal variances not assumed	2.188	9.196	0
LF	Equal variances assumed	-0.125	281	0.9
	Equal variances not assumed	-0.155	8.85	0.88

Source: Own survey

#### 4.4. Reliability

Cronbach's alpha coefficients were calculated to estimate the reliability of the MLQ and OCQ instruments of this research. As advised by Sekaran (2000) and discussed earlier in chapter 3,

Table 3.2, the variable coefficients less than 0.6 are considered poor, coefficients greater than 0.6 but less than 0.8 are considered acceptable and coefficients greater than 0.8 are considered good.

#### 4.4.1. Cronbach's Alpha Reliability Coefficient Scores for the MLQ

Cronbach's alpha reliability coefficients were calculated to estimate the reliability of the MLQ instrument and results are given in Table 4.6 below. The average Cronbach's alpha reliability coefficient for the MLQ instrument is 0.949, which is good. The results in Table 4.6 below indicate reasonably high alphas and that the MLQ factors generally are reliable. This study the MLQ instrument is a reliable measure of transformational leadership variable (idealized influence (attributes), idealized influence (behavioral), inspirational motivation, intellectual stimulation and individualized consideration), transactional leadership variable (contingent reward, management-by-exception activity and management-by-exception-passive) and laissez-faire leadership.

**Table 4.6 Cronbach's alpha reliability coefficients for MLQ factors on University of Gondar Hospital, 2015 (N=9)**

	Mean=8.1739 Variance=5.607 Std.Div=2.36786		Cronbach's Alpha	
			=0.949 N=9	
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Idealized influence (Attributes)	7.205	4.19	0.959	0.933
Idealized influence (Behavioral)	7.2169	4.193	0.969	0.933
Inspirational motivation	7.2149	4.187	0.962	0.933
Intellectual stimulation	7.2121	4.195	0.967	0.933
Individualized consideration	7.2248	4.196	0.967	0.933
Contingent reward	7.2208	4.207	0.963	0.933
Management-by-exception-active	7.2047	4.363	0.817	0.941
Management-by-exception-passive	7.3545	4.923	0.59	0.952
Laissez-faire	7.5375	5.672	-0.107	0.978

Source: Own survey

#### 4.4.2. Cronbach's Alpha Reliability Coefficient Scores for the OCQ

Cronbach's alpha coefficients were calculated in order to assess the reliability of the OCQ instrument for this research. The Cronbach's alpha reliability coefficients for the OCQ are given in Table 4.7. The average Cronbach's alpha reliability coefficient for the OCQ instrument is 0.969, which is good. This study, the OCQ instrument is a reliable measure of organizational commitment variable such as affective commitment, normative commitment and continuance commitment.

**Table 4.7 Cronbach's alpha reliability coefficients for OCQ factors on University of Gondar Hospital, 2015 (N=3)**

Summary for scale	Mean	Variance	Std.Div	Cronbach's Alpha	
				=0.992	Vaild N=3
	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
AC	3.7482	1.788	0.974	0.951	0.993
NC	3.7591	1.783	0.988	0.979	0.983
CC	3.7536	1.796	0.982	0.972	0.987

Source: Own survey

#### 4.5. The Relationship between Leadership Styles and Employee Commitment

In this section, correlation analysis conducted in the light of each research questions is mentioned. The relationship between leadership styles and employee commitment was investigated using two-tailed Pearson correlation analysis. This provided correlation coefficients which indicated the strength and direction of relationship. The p-value also indicated the probability of the relationship's significance. Devore and Peck (1993) provided a guideline for assessing resultant correlation coefficients as follows: coefficients less than 0.5 represent a weak relationship, coefficients greater than 0.5 but less than 0.8 represent a moderate relationship and coefficients greater than 0.8 represent a strong relationship. The following table shows the finding of correlation among each leadership subscales and dimensions of organizational commitment.

**Table 4.8 Pearson correlation between leadership styles and employee organizational commitment on University of Gondar Hospital, 2015**

		TA	TS	LF	LS	AC	NC	CC	OC
TA	Pearson								
	Correlation	1							
TS	Pearson								
	Correlation	.732**	1						
LF	Pearson								
	Correlation	-0.091**	-0.109**	1					
LS	Pearson								
	Correlation	.791**	.765**	.456**	1				
AC	Pearson								
	Correlation	.822**	.790**	-0.104	.719**	1			
NC	Pearson								
	Correlation	.832**	.787**	-0.1	.725**	.974**	1		
CC	Pearson								
	Correlation	.833**	.785**	-0.102	.723**	.966**	.986**	1	
OC	Pearson								
	Correlation	.836**	.794**	-0.103	.728**	.988**	.995**	.992**	1

Source: Own survey    \*\*.Correlation is significant at the 0.01 level (2-tailed)

   \*.Correlation is significant at the 0.05 level (2-tailed)

#### **4.5.1. Correlations between Transformational Leadership Style and Employee Commitment Dimension**

From Table 4.8 transformational leadership has strong and significant, positive correlation with affective commitment ( $r = 0.822$ ,  $p < 0.01$ ) which are statistically significant at 99% confidence level.

Empirical finding result indicated that Hayward et al., (2004), found that transformational leadership has moderate positive correlation with affective commitment. Temesgen (2011) and Nyengane (2007) found relatively weak, but significant, positive relationship between transformation leadership and affective commitment. Bycio et al., (1995), found a weak correlation between the transformational leadership dimensions and affective commitment.

The Person correlation result of transformational leadership with affective commitment Hayward et al., (2004) is moderate, Temesgen (2011), Nyengane (2007) and Bycio et al., (1995) finding result weak, but the current finding result strong however all finding were significant, positive relationship. This result indicates that different from the other finding result and need more consider.

This finding suggests that transformational leadership behaviors which involve building trust, inspiring a shared vision, encouraging creativity, emphasizing development and recognizing accomplishments is somewhat positively related to how employees commitment. According to Avolio and Yammering (2002), transformational leadership is the development of a relationship of mutual needs, aspirations and value in which the leader looks for potential motives, unite with followers to achieve a common goal, which places emphasis on institutional goals and not personal agendas. For affective commitment, the study suggests that these leadership behaviors are positive related to how employees feel about wanting to stay with the institution. Affective commitment results in increased productivity, personnel stability, lower absenteeism rate, job satisfaction and organizational citizenship.

From Table 4.8 transformational leadership has strong and significant, positive correlation with normative commitment ( $r=0.832$ ,  $p<0.01$ ), which are statistically significant at 99% confidence level.

The empirical finding result indicate that Nyengane (2007) found relatively weak but significant, positive relationship, Bučiūnienė and Škudienė (2008) where they found positive relationship, Saqr (2009) found significant positive relationships among the two variables. But, Michael and Portia (2011) found negative relationship among the two variables while Temesgen (2011) found no significant relationship among transformational leadership style and employees' normative commitment.

The Person correlation result of transformational leadership with normative commitment the current finding result not similar of empirical finding result of Nyengane (2007), Bučiūnienė and Škudienė (2008), Saqr (2009) their finding results were weak. But Temesgen (2011) and Michael and Portia (2011) no significant, this shows that need consider.



From the finding result suggests that the practice of transformational leadership style's behaviors has a significant positive impact on the employees' sense of duty (feeling of obligation) to remain in the institution.

From Table 4.8 transformational leadership has strong and significant, positive correlation with continuance commitment ( $r = 0.833$ ,  $p < 0.01$ ), which are statistically significant at 99% confidence level.

The other finding results indicate that Temesgen (2011) found very weak, but significant, positive relationship, Nyengane (2007) found relatively weak but significant, positive relationship between transformational leadership and continuance commitment. But, Michael and Portia (2011) found negative relationship among the two variables.

The Person correlation result of transformational leadership with continuance commitment the current finding result strong relationship, but empirical finding result of Temesgen (2011) and Nyengane (2007) finding result weak and Michael and Portia (2011) no significant statistically. This shows that the current study result different from other study result and need to consider.

This finding result indicates that the same leadership behavior is related to how employees feel about having to stay with the institution. Continuance commitment is more likely related to transferability of skills, education, retirement money, status, job security and alternative employment opportunities (Allen & Meyer, 1990; Shore & Wayne, 1993; Hunt & Morgan, 1994; Meyer et al., 2004).

#### **4.5.2. Correlations between Transactional Leadership Style and Employee Commitment Dimensions**

From Table 4.8 transactional leadership style has moderate and significant, positive relation with affective commitment ( $r = 0.790$ ,  $p < 0.01$ ), which are statistically significant at 99% confidence level.

The other finding results show that Bučiūnienė and Škudienė (2008) where they found strongest positive correlation and Saqer (2009) where he found significant positive correlation among transactional leadership style and affective commitment. Temesgen (2011) and Nyengane a (2007)

found weak but significant, positive relationship between transaction leadership and affective commitment.

The Person correlation result of transactional leadership with affective commitment the current finding result moderate relationship, but empirical finding result of Bučiūnienė and Škudienė (2008) strong significant positive correlation, Temesgen (2011) and Nyengane (2007) finding result weak. This shows that the current finding result not similar from other study results and this need consider.

From the current finding results indicate that transactional leadership style's behaviors has a significant positive impact on the employees' emotional attachment to the institution, identification with an institution and a desire to maintain their membership (want to stay) within the institution.

From Table 4.8 transactional leadership style has moderate and significant, positive relation with normative commitment ( $r=.787$ ,  $p<0.01$ ), which are statistically significant at 99% confidence level.

The empirical study results show that Temesgen (2011) found very weak but significant, positive correlations and Saqer (2009) found weak but significant, positive relationship among the two variables. Bučiūnienė and Škudienė (2008) and Michael & Portia (2011) found positive significant correlations. But Nyengane (2007) found no statistically significant relationship among the two variables.

The Person correlation result of transactional leadership with normative commitment the current finding result different from the above empirical study results and this indicates that need consider.

This study result show that transactional leadership behaviors involving rewards, highlighting problems and positive reinforcement related to how employees feel about ought to stay with the organization (Bass & Avolio, 1993). And also indicates that the leaders' and followers' associations affects employees' moral identification with an organization and relates to their feelings of responsibility (Allen & Meyer, 1990).

From Table 4.8 transactional leadership style has moderate and significant, positive correlation with continues commitment ( $r=0.785$ ,  $p < 0.01$ ), which are statistically significant at 99% confidence level.

Other researcher finding result indicate that Nyengane (2007) found relatively weak but significant, positive relationship and Saqer (2009) found very weak but significant, positive relationship between transactional leadership style and continues commitment. Bučiūnienė and Škudienė (2008) where they found positive correlations between transactional leadership style and continues commitments. But Temesgen (2011) found no statistically significant relationship among the two variables and Michael and Portia (2011) found negative relationship among the two variables.

The Person correlation result of transactional leadership with continues commitment the current finding result different from empirical finding result. The Nyengane (2007) and Saqer (2009) finding result were weak. Michael and Portia (2011) found negative relationship. Bučiūnienė and Škudienė (2008) positive correlation. Temesgen (2011) found no statistically significant. This indicates that need consider.

The result of the finding that transactional leadership style's behaviors has a significant positive impact on the employees' "need to stay" where employees' feel compelled to commit to the institution because the monetary, social, psychological and other costs associated to leaving are high.

#### **4.5.3. Correlations between Laissez Faire Leadership Style and Employee Commitment Dimensions**

From Table 4.8 laissez-faire leadership is weak but insignificant, negative relationship with affective commitment ( $r=-0.104$ ,  $p=0.088$ ).

Other study result show that Temesgen (2011), Bučiūnienė and Škudienė (2008), Saqer (2009) and Michael & Portia (2011) found weak but significant, negative relationship among laissez-faire leadership style and affective commitment. Nyengane (2007) found relatively weak, but significant, negative relationship between the two variables.

The Person correlation result of laissez-faire leadership with affective commitment the current finding result different from empirical study of Temesgen (2011), Bučiūnienė and Škudienė (2008), Saqer (2009) and Michael & Portia (2011) and Nyengane (2007). This show that the need consider.

From Table 4.8 laissez-faire leadership is very weak but insignificant, negative relationship with normative commitment ( $r=-0.100$ ,  $p=0.1$ ).

The empirical finding result indicate that Temesgen (2011) and Nyengane (2007) were found that no statistically significant relationship between laissez-faire leadership style and normative commitment variables. But Michael & Portia (2011), Bučiūnienė & Škudienė (2008) and Saqer (2009) found negative significant correlations between the two variables.

The Person correlation result of laissez-faire leadership with normative commitment the current finding result not similar result from the above empirical finding result and this finding result need consider.

From Table 4.8 laissez-faire leadership is very weak but insignificant, negative relationship with continuance commitment study( $r=-0.102$ ,  $p=0.091$ ).

With regard to empirical finding result indicate that Temesgen (2011), Bučiūnienė and Škudienė (2008) and Nyengane (2007) where all of them found no significant relationship between laissez-faire leadership style and continuance commitment variables. Michael & Portia (2011) and Saqer (2009) both found positive significant correlations between the two variables.

The Person correlation result of laissez-faire leadership with continuance commitment the current finding result not similar from the above empirical finding results. This result shows that need consider.

#### **4.5.4. Comparisons of Overall Correlations among the Variables**

In this study's, overall result of the relationship between transformational leadership style and overall employees' organizational commitment Table 4.8 shows that there strong and significant, positive relationship ( $r = 0.836$ ,  $p < 0.01$ ), which are statistically significant at 99% confidence level.

Consistent with the study of (Avolio et al., 2004), the result of this study indicated significant and positive associations between transformational leadership and employee commitment dimensions in the UGH. As a transformational leader helps followers develop beyond their potential and satisfy their higher order needs, he/she is likely to gain their followers' commitment to the organization (Bass, 1997).

Essentially, the empirical and meta-analytic studies suggest that followers working with transformational leaders are more committed to their organizations and demonstrate fewer withdrawal behaviors (Walumbwa et al., 2004; Bono & Judge, 2003; Walumbwa & Lawler, 2003; Barling et al., 1996). Transformational leaders have great ability to influence organizational commitment by promoting the values which are related to the goal accomplishment, by emphasizing the relation between the employee's efforts and goal achievement and by creating a greater degree of personal commitment on part of both follower's as well as leaders for the achievement of ultimate common vision, mission and goals of the organization (Shamir, et.al, 1998). Transformational leaders influence followers' organizational commitment by encouraging followers to think critically by using novel approaches, involving followers in decision-making processes, inspiring loyalty, while recognizing and appreciating the different needs of each follower to develop his or her personal potential (Avolio, 1999; Bass & Avolio, 1994; Yammarino et al., 1993). This is further supported by Walumbwa and Lawler (2003) that transformational leaders can motivate and increase followers' motivation and organizational commitment by getting them to solve problems creatively and also understanding their needs.

With regarding about transactional leadership style and employee organizational commitment, Table 4.8 show that moderate and significant, positive correlation with all commitment dimensions ( $r = 0.794$ ,  $p < 0.01$ ), which are statistically significant at 99% confidence level.

The finding of this study indicates that the study of Saqer (2009) who indicated that transactional leadership style has positive relationship with employees' organizational commitment. This almost existence of correlation suggests that leadership behaviors involving exchange of rewards for meeting agreed-on objectives, highlighting problems, ignoring problems or waiting for problems to become serious before taking action, may be related to how employees feel about having to stay with the organization. These behaviors focus on "when" feedback is provided about negative performance (Bass & Avolio, 1997). Thus, the finding of this study showed as there was

a statistically significant correlation exists in between transactional leadership style behaviors and all dimensions of commitments.

Lastly, the result of this study indicated very weak and insignificant laissez-faire leadership and all dimensions of commitment ( $r = -0.103$ ,  $p = 0.089$ ).

When compared in aggregate, transformational leadership style's behaviors ( $r = 0.836$ ,  $p < 0.01$ ) more strong and significantly associated to employees' commitment dimensions than transactional leadership style's behaviors ( $r = 0.794$ ,  $p < 0.01$ ). Over all finding of this study that leadership style has direct proportional association and significant with the dimension of employee organizational commitment ( $r = 0.728$ ,  $p < 0.01$ ) which is statically significant at 99% confidence level.

The Person correlation result of overall leadership style with overall organizational commitment the current finding result different from the empirical finding result and this finding result shows that need consider.

This is consistent with previous studies by Bass & Avolio (1993) who claimed that transactional culture creates only short-term commitment, whereas transformational culture creates long-term commitment as well as with that of Lok & Crawford (1999) who elucidated that the leadership style variable, a bureaucratic environment that resembles transactional characteristics, often resulted in a lower level of employee commitment and performance. Similarly, Mannheim & Halamish (2008) revealed that leaders who exhibit transformational leadership styles are more effective in achieving significantly higher commitment levels than transactional leaders.

#### 4.6. Simple Regression

Table 4.9 Regression analysis overall leadership styles with overall employee commitment on University of Gondar Hospital, 2015

##### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.728 <sup>a</sup>	0.53	0.528	0.4583

a. Predictors: (Constant), Leadership style

**ANOVA<sup>b</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	64.455	1	64.455	3.069	.000 <sup>a</sup>
	Residual	57.131	272	0.21		
	Total	121.586	273			

a. Predictors: (Constant), Leadership style

b. Dependent Variable: OC

**Coefficients<sup>a</sup>**

		Unstandardized		Standardized		
		Coefficients		Coefficients		
			Std.			
Model		B	Error	Beta	T	Sig.
1	(Constant)	-0.791	0.155		5.112	0
	Leadership	1.618	0.092	0.728	17.518	0

a. Dependent Variable: OC

The result as shown in table 4.7, reveals that leadership style has significant effect on employee commitment ( $\beta = 0.728$ ,  $t = 5.112$ ,  $P < .01$ ). Also leadership style is a predictor of employee commitment ( $F(1, 273) = 3.069$ ;  $R^2 = 0.53$ ;  $P < .01$ ). The predictor variable single handedly explained 53% of the variance in employee commitment, while the remaining 47% could be due to the effect of extraneous variables. Unluckily, other findings could not be compared to literature and research findings, due to lack of similar studies.

## **CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

### **5.1. Summary of the Finding**

Leadership is creating and maintaining a sense of vision, culture and interpersonal relationships. Employee's organization commitment is an important factor for the sustainable and effective growth of the institution.

The descriptive part of the result indicate from the total respondents 63.7% of the participants are males, 71% respondents are health professional, 86.4% respondents are employees and 47.7% having above 7 year experience.

The finding result indicate that transformational leadership style mean subscales was below the suggestion point of 3.0 Bass and Avolio (1997) and correlation result show that strong and significant, positively related with affective, continuance and normative commitment by different degree which is statically significant at 99% confidence level. This indict that leaders not displaying the ideal levels of transformational leadership behaviors which involve creating trust, inspiring a shared vision, generating enthusiasm, encouraging creativity and providing coaching.

However, Bass and Avolio (1997) also suggested a mean score of 2.0 for contingent reward, while this study's sample data mean score is 1.81, which is less than the suggested a mean score (2.0). The suggested range for management-by-exception (active) was 1.0 to 2.0 and the mean score obtained for the current study was 1.79, this is already within the suggested range. In the same way, the mean value management-by-exception (passive) in this study is 1.67 which is the mean score of subscales higher than the suggested point (1.0 and 0.0).

The finding result of the transactional leadership style mean score of contingency reward was below the suggestion point, the management-by-exception (active) mean score was within the suggested range but the mean score of management-by-exception (passive) was higher than the suggestion point. The correlation result of transactional leadership show that moderate and significant, positively related with affective, continuance and normative commitment which is statically significant at 99% confidence level. The finding result indicate as a leader did not discusses with followers what is required of them, not clarifies how these outcomes are to be achieved and the reward they will receive in exchange for their satisfactory effort and performance and wait for issues to come up before fixing the problem.



The result of study mean score laissez-faire leadership style was higher than the suggestion point and the correlation result very weak and insignificant, negative relationship with employee commitment (affective, normative and continuance commitment).

The finding result indicates that the comparison between employees and leaders responses to leadership styles of UGH, leaders response of the transformational and transactional leadership style mean scale higher than employees response. But the mean values of the leaders response for management –by-exception (passive) leadership scale was lower than to employees response, while the mean values of the leaders responses for laissez-faire leadership scale all most similar to employees responses.

The finding result of mean score of employee perception about their organization commitment is low. The result implies that respondents felt that the institution's leaders are not paying enough attention to the rewards in the exchange of efforts they provide to the institutions.

The overall leadership style with overall organizational commitment the current finding result different from the empirical finding result and this finding result shows that need consider.

The regression result of the study shows that the overall leadership style was statically significantly predicts the level of employee commitment.

## **5.2. Conclusion**

The purposes of study assess the relationship between leadership style and employee commitment of governmental health institution on UGH.

This study found that transformational leadership style behaviors were strong and significant positive related with employee commitment (affective, normative and continuance). This shows that leadership behaviors which involve providing trust, inspiring a shared vision, generating enthusiasm, encouraging creativity, providing coaching and recognizing accomplishments, do explain some of the variation in how employees feel about wanting to, needing to or feeling obligated to, stay with the institution. The more they display these behaviors, the more employees may want to, need to, feel obligated to stay.

The finding result of the transaction leadership style were moderate and significant positive related with employee commitment (affective, normative and continuance), the result of contingent reward showing that leaders don't discuss with their employees what is required of them, not clarify how these outcomes are to be achieved and the reward they will receive in exchange of their effort and performance. While management-by-exception (active) result implies that very few employees perceived their leaders as taking corrective action relatively in a timely manner and management-by-exception (passive) result indicates that most employees' perception regarding their leader is that their leaders don't actively monitor performance but instead wait until deviations occur and then implement a corrective action. Generally means that transactional leadership style's behaviors, which involve ignoring problems or waiting for problems to become chronic before taking action.

Generally employee organizational commitment dimensions have low mean scores indicates that respondents feel that the institution's leaders are not paying enough attention to the rewards in the change of efforts this follows high turnover, low job satisfaction and high absenteeism, rather than need to stay and obligated to stay. The overall from the finding result that the study suggests that transformational and transactional leadership behaviors do play important roles in determining the employee organizational commitment.

### **5.3. Recommendation for UGH**

This result indicates as the leaders do display the required ideal levels. However, organizations that require their employees to develop organizational commitment should provide comprehensive training that will encourage leadership to exhibit leadership behaviors.

Leaders can play a role in building commitment by assuring that the organization makes effort to address both the work content and the work context by engaging in management practices to minimize employee alienation.

Transactional leadership style's behaviors, contingent reward is relatively below the standard as per the employees' perception, thus leaders should frankly discuss with their subordinates about their expectations from them and the reward given to them in exchange while they meet their performance. Management-by-exception (passive) is not effective type of leadership behaviors and then leaders do actively monitor performance. For transactional leadership, leaders should demonstrate their commitment to the employees by sharing information, provide for the development and growth of employees within the institution. In this era of empowered employees and teams, leaders still need to communicate to their subordinates the sense that the organization respects them and values the contributions that they make and taking immediate action rather than waiting for problems to become serious.

Based on the findings that revealed the significant relationships between overall leadership styles and employee commitment, it is important to establish a sound system of benefits, promotion and development in order to increase employees' organizational commitment and then raise productivity by reducing employee turnover. These are major factors which influence the decisions of employees about want to, need to or ought to stay in the current organization.

The overall the institution's leaders should improve the level of employees' commitment through actually practicing effective type of leadership style and creating conducive environment to employees.

#### **5.4. Suggestion for Future Research**

Future study would be also interesting if causal relationships of the two variables will be assessed employing other alternative modes of enquires such as employing the longitudinal design (e.g. observations or interviews) to determine if the findings tested are likely to be sustained.

Future research might further examine the particular circumstances under which laissez-faire leadership style's behaviors might significantly influence the three dimensions of commitment.

This study targeted only leaders and employees of University of Gondar Hospital. There could be different perceptions about leadership style and employee organizational commitment other institutions areal. This is the area which needs to be studied.

Future research may be conducted the relationship between leadership style and organizational performance at University of Gondar Hospital.

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## APPENDIX

### Appendix A

Table 4.2 Descriptive statistics of employees' response on leadership styles on University of Gondar Hospital, 2015

Items	N	Mean	Std.Deviation
Idealized influence (attributes)	274	1.96	0.57
Idealized influence (behavioral)	274	1.93	0.49
Inspirational motivation	274	1.92	0.56
Intellectual stimulation	274	1.93	0.54
Individualized consideration	274	1.86	0.57
Transformational	274	1.92	0.46
Contingent reward	274	1.81	0.46
Management-by-exception-active	274	1.79	0.51
Management-by-exception-passive	274	1.67	0.49
Transactional	274	1.76	0.41
Laissez-faire	274	1.27	0.5
Valid N (list wise)	274		

### Appendix B

Table 4.3 Descriptive statistics of employees' response to organizational commitment on University of Gondar Hospital, 2015

Items	N	Mean	Std.Deviation
Affective commitment	274	1.88	0.68
Normative commitment	274	1.87	0.67
continuance commitment	274	1.88	0.67
Organizational commitment	274	1.88	0.67
Valid N (list wise)	274		



## Appendix C

Table 4.4 T-test result for Comparison of the MLQ (leaders and employees) responses on University of Gondar Hospital, 2015

					Std.
		Stratum group			Error
		N	Mean	Deviation	Mean
Idealized influence (attributes)	Leader	9	2.25	0.43	0.14
	Employee	274	1.96	0.57	0.03
Idealized influence (behavioral)	Leader	9	2.08	0.59	0.20
	Employee	274	1.93	0.49	0.03
Inspirational motivation	Leader	9	2.19	0.53	0.18
	Employee	274	1.92	0.56	0.03
Intellectual stimulation	Leader	9	2.19	0.48	0.16
	Employee	274	1.93	0.54	0.03
Individualized consideration	Leader	9	2.08	0.59	0.20
	Employee	274	1.86	0.57	0.03
Transformational	Leader	9	2.16	0.51	0.17
	Employee	274	1.92	0.46	0.03
Contingent reward	Leader	9	2.19	0.53	0.18
	Employee	274	1.81	0.46	0.03
Management-by-exception-active	Leader	9	2.36	0.44	0.15
	Employee	274	1.79	0.51	0.03
Management-by-exception-passive	Leader	9	1.33	0.25	0.08
	Employee	274	1.67	0.49	0.03
Transactional	Leader	9	1.96	0.27	0.09
	Employee	274	1.76	0.41	0.02
Laissez-faire	Leader	9	1.25	0.40	0.13
	Employee	274	1.27	0.50	0.03

## Appendix D

Table 4.5: T-test results for equality of mean scores of MLQ (leaders and employees) on University of Gondar Hospital, 2015

		t-test for Equality of Means		
		T	Df	Sig. (2-tailed)
IA	Equal variances assumed	1.544	281	0.024
	Equal variances not assumed	2.313	9.299	0.045
IB	Equal variances assumed	0.874	281	0.032
	Equal variances not assumed	0.976	8.678	0.035
IM	Equal variances assumed	1.363	281	0.011
	Equal variances not assumed	1.697	8.86	0.125
IS	Equal variances assumed	1.361	281	0.021
	Equal variances not assumed	1.835	9.027	0.1
IC	Equal variances assumed	0.983	281	0.327
	Equal variances not assumed	1.086	8.663	0.307
TA	Equal variances assumed	1.548	281	0.123
	Equal variances not assumed	1.411	8.437	0.194
CR	Equal variances assumed	1.451	281	0.018
	Equal variances not assumed	1.774	8.826	0.11
MBEa	Equal variances assumed	2.525	281	0.012
	Equal variances not assumed	3.52	9.105	0.006
MBEp	Equal variances assumed	-2.048	281	0.001
	Equal variances not assumed	-3.831	10.18	0
TS	Equal variances assumed	1.515	281	0
	Equal variances not assumed	2.188	9.196	0
LF	Equal variances assumed	-0.125	281	0.9
	Equal variances not assumed	-0.155	8.85	0.88

## Appendix E

Table 4.6: Cronbach's alpha reliability coefficients for MLQ factors on University of Gondar Hospital, 2015 (N=9)

### Reliability Statistics

Cronbach's Alpha Based on		
Cronbach's Alpha	Standardized Items	N of Items
0.949	0.938	9

### Scale Statistics

Std. N of			
Mean	Variance	Deviation	Items
8.1739	5.607	2.36786	9

# Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach 's Alpha if Item Deleted
Idealized influence (Attributes)	7.205	4.19	0.959	0.933
Idealized influence (Behavioral)	7.2169	4.193	0.969	0.933
Inspirational motivation	7.2149	4.187	0.962	0.933
Intellectual stimulation	7.2121	4.195	0.967	0.933
Individualized consideration	7.2248	4.196	0.967	0.933
Contingent reward	7.2208	4.207	0.963	0.933
Management-by-exception-active	7.2047	4.363	0.817	0.941
Management-by-exception-passive	7.3545	4.923	0.59	0.952
Laissez-faire	7.5375	5.672	-0.107	0.978

## Appendix F

Table 4.7 Cronbach's alpha reliability coefficients for OCQ factors on University of Gondar Hospital, 2015 (N=3)  
Reliability Statistics

Cronbach's Alpha Based on			
Cronbach's Alpha	Standardized Items	N	of Items
0.992	0.992	3	

### Scale Statistics

Std.			
Mean	Variance	Deviation	N of Items
5.6305	4.008	2.00208	3

### Item-Total Statistics

	Scale	Scale			Cronbach
	Mean	if	Variance	if	Alpha
	Item		Item	Item-Total	Item
	Deleted		Deleted	Correlation	Deleted
Affective commitment	3.7482		1.788	0.974	0.993
Normative commitment	3.7591		1.783	0.988	0.983
continuance commitment	3.7536		1.796	0.982	0.987

## Appendix G

Table 4.8 Pearson correlation between leadership styles and employee organizational commitment on University of Gondar Hospital, 2015

		TA	TS	LF	LS	AC	NC	CC	OC
TA	Pearson								
	Correlation	1	.732**	-0.091	.791**	.822**	.832**	.833**	.836**
	Sig. (2-tailed)		0	0.133	0	0	0	0	0
	N	274	274	274	274	274	274	274	274
TS	Pearson								
	Correlation	.732**	1	-0.109	.765**	.790**	.787**	.785**	.794**
	Sig. (2-tailed)	0		0.073	0	0	0	0	0
	N	274	274	274	274	274	274	274	274
LF	Pearson								-0.10
	Correlation	-0.091	-0.109	1	.456**	-0.104	-0.1	-0.102	3
	Sig. (2-tailed)	0.133	0.073		0	0.085	0.1	0.091	0.089
	N	274	274	274	274	274	274	274	274
LS	Pearson								
	Correlation	.791**	.765**	.456**	1	.719**	.725**	.723**	.728**
	Sig. (2-tailed)	0	0	0		0	0	0	0
	N	274	274	274	274	274	274	274	274

AC	Pearson								
	Correlation	.822**	.790**	-0.104	.719**	1	.974**	.966**	.988**
	Sig.								
	(2-tailed)	0	0	0.085	0		0	0	0
	N	274	274	274	274	274	274	274	274
<hr/>									
NC	Pearson								
	Correlation	.832**	.787**	-0.1	.725**	.974**	1	.986**	.995**
	Sig.								
	(2-tailed)	0	0	0.1	0	0		0	0
	N	274	274	274	274	274	274	274	274
<hr/>									
CC	Pearson								
	Correlation	.833**	.785**	-0.102	.723**	.966**	.986**	1	.992**
	Sig.								
	(2-tailed)	0	0	0.091	0	0	0		0
	N	274	274	274	274	274	274	274	274
<hr/>									
OC	Pearson								
	Correlation	.836**	.794**	-0.103	.728**	.988**	.995**	.992**	1
	Sig.								
	(2-tailed)	0	0	0.089	0	0	0	0	
	N	274	274	274	274	274	274	274	274



## Appendix H

Table 4.9 Regression analysis between overall leadership styles with overall employee commitment on University of Gondar Hospital, 2015

### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.728 <sup>a</sup>	.530	.528	.45830

a. Predictors: (Constant), Leadership style

### ANOVA<sup>b</sup>

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	64.455	1	64.455	3.069	.000 <sup>a</sup>
	Residual	57.131	272	.210		
	Total	121.586	273			

a. Predictors: (Constant), Leadership style

b. Dependent Variable: OC

# **Coefficients<sup>a</sup>**

		Unstandardized		Standardized		
		Coefficients		Coefficients		
		Std.				
Model		B	Error	Beta	T	Sig.
1	(Constant)	-.791	.155		5.112	.000
	Leadership	1.618	.092	.728	17.518	.000

a. Dependent Variable: OC

**University of Gondar**  
**Faculty of Business and Economics**  
**Department of Management**  
**Research Questionnaire**

**Dear participants:**

I am graduating class MBA student of 2015 from University of Gondar. There is a questionnaire having the purpose of investigating the relationship between leadership style and employees' organizational commitment on UGH. It will be appreciated if you could answer all the questions attached in the questionnaire. Thus, your genuine support in responding to the raised questions has a paramount importance for the attainment of the study's objective. So, I kindly request you to give me the pertinent response.

Whatever information you give me is strictly confidential and could be used for academic purpose only. When you have completed all the questions, please SEND this questionnaire back to me via Group wise.

In case you have ambiguities on any of the questions, please do not hesitate to contact me via my cell phone: 0918732712

e-mail: hiwotchekol@gmail.com

### Part one: Demographic Questions (Leaders and Employees)

The following questions concern your position and other personal information. Completion of this information is voluntary and its confidentiality is assured. No individual data will be reported.

1. Sex ☐ Male ☐ Female

2. Age Group

☐ Under 26 ☐ 26 to 35 ☐ 36 to 45  
☐ 46 to 55 ☐ 56 to 65 ☐ 66 and Above

3. Educational qualification:

☐ ≤ 12 ☐ Diploma ☐ 1st Degree  
☐ Masters (2nd degree) ☐ Doctorate Degree

4. Please indicate your Occupation

☐ Health profession  
☐ Administrative staff

5. The stratum (group) you belong to:

☐ Leader  
☐ Employee

6. Service time in years dealing with your present institution.

☐ 0 to 2 yrs ☐ 3 to 4 yrs ☐ 5 to 6 yrs  
☐ 7 and above

## Part two: Detailed information

### 2.1. Leader Opinion Survey - Multifactor Leadership Questionnaire (MLQ)

This questionnaire is designed to help you describe your leadership style as you perceive it. Please answer all items below by putting X mark on a number from 0 to 4 from the rating scale that best reflects your perception. Judge how frequently each statement fits you. The word "others" may mean your peers, clients, direct reports, supervisors, and/or all of these individuals. If an item is irrelevant, or if you are unsure or do not know the answer, leave the answer blank. When you have completed all the questions, please SEND this questionnaire back to me via Group wise.

Use the following rating scale

0 = Not at all

1 = Once in a while

2= Sometimes

3= fairly often

4= frequently, if not always

No	Questions	Rating scale				
		0	1	2	3	4
	<b>Idealized Influence (Attributes)</b>					
1	I instill pride in others for being associated with me					
2	I go beyond self-interest for the good of the group					
3	I act in ways that build others' respect for me					
4	I display a sense of power and confidence					
	<b>Idealized Influence (Behavioral)</b>					
5	I talk about my most important values and beliefs					
6	I specify the importance of having a strong sense of purpose					
7	I consider the moral and ethical consequences of decisions					
8	I emphasize the importance of having a collective sense of mission					

	<b>Inspirational Motivation</b>					
9	I talk optimistically about the future					
10	I talk enthusiastically about what needs to be accomplished					
11	I articulate a compelling vision of the future					
12	I express confidence that goals will be achieved					
	<b>Intellectual Stimulation</b>					
13	I re-examine critical assumptions to question whether they are appropriate					
14	I seek differing perspectives when solving problems					
15	I get others to look at problems from many different angles					
16	I suggest new ways of looking at how to complete assignments					
	<b>Individual Consideration</b>					
17	I spend time teaching and coaching					
18	I treat others as individuals rather than just as a member of a group					
19	I consider an individual as having different needs, abilities, and aspirations from others					
20	I help others to develop their strengths					
	<b>Continent Reward</b>					
21	I provide others with assistance in exchange for their efforts					
22	I discuss in specific terms who is responsible for achieving performance targets					
23	I make clear what one can expect to receive when performance goals are achieved					
24	I express satisfaction when others meet expectations					
	<b>Management –by-exception (Active)</b>					
25	I focus attention on irregularities, mistakes, exceptions, and deviations from standards.					
26	I concentrate my full attention on dealing with mistakes, complaints, and failures					
27	I keep track of all mistakes					
28	. I direct my attention toward failures to meet standards					

	<b>Management –by-exception (Passive)</b>					
29	I fail to interfere until problems become serious					
30	I wait for things to go wrong before taking action					
31	I show that I am a firm believer in 'If it doesn't break, don't fix it.'					
32	I demonstrate that problems must become chronic before I take action					
	<b>Laissez-faire leadership</b>					
33	I avoid getting involved when important issues arise					
34	I am absent when needed					
35	I avoid making decisions					
36	I delay responding to urgent questions					

===== Thank you for your cooperation!!=====

## 2.2 Employee Opinion Survey - Multifactor Leadership Questionnaire (MLQ)

This questionnaire is to describe the leadership style of your manager/ supervisor. Describe the leadership style as you perceive it. Please answer all items below by putting X mark on a number from 0 to 4 from the rating scale that best reflects your perception. If an item is irrelevant, or if you are unsure or do not know the answer, leave the answer blank. Please answer this questionnaire anonymously.

Use the following rating scale:

0 = Not at all

1 = Once in a while

2= Sometimes

3= fairly often

4= frequently, if not always

No	Questions	Rating scale				
		0	1	2	3	4
	<b>Idealized Influence (Attributes)</b>					
1	Instills pride in me for being associated with him/her					
2	Goes beyond self-interest for the good of the group					
3	Acts in ways that builds my respect					
4	Displays a sense of power and confidence					
	<b>Idealized Influence (Behavioral)</b>					
5	Talks about their most important values and beliefs					
6	Specifies the importance of having a strong sense of purpose					
7	Considers the moral and ethical consequences of decisions					
8	Emphasizes the importance of having a collective sense of mission					



	<b>Inspirational Motivation</b>					
9	Talks optimistically about the future					
10	Talks enthusiastically about what needs to be accomplished					
11	Articulates a compelling vision of the future					
12	Expresses confidence that goals will be achieved					
	<b>Intellectual Stimulation</b>					
13	Re-examines critical assumptions to question whether they are appropriate					
14	Seeks differing perspectives when solving problems					
15	Gets me to look at problems from many different angles					
16	Suggests new ways of looking at how to complete assignments					
	<b>Individual Consideration</b>					
17	Spends time teaching and coaching					
18	Treats me as an individual rather than just as a member of a group					
19	Considers me as having different needs, abilities, and aspirations from others					
20	Helps me to develop my strengths					
	<b>Continent Reward</b>					
21	Provides me with assistance in exchange for my efforts					
22	Discusses in specific terms who is responsible for achieving performance targets					
23	Makes clear what one can expect to receive when performance goals are achieved					
24	Expresses satisfaction when I meet expectations					
	<b>Management –by-exception (Active)</b>					
25	Focuses attention on irregularities, mistakes, exceptions, and deviations from standards					
26	Concentrates his/her full attention on dealing with mistakes, complaints, and failures					
27	Keeps track of all mistakes					
28	Directs my attention toward failures to meet standards					

	<b>Management –by-exception (Passive)</b>					
29	Fails to interfere until problems become serious					
30	Waits for things to go wrong before taking action					
31	Shows that he/she is a firm believer in 'if it doesn't break, don't fix it:					
32	Demonstrates that problems must become chronic before taking action					
	<b>Laissez-faire leadership</b>					
33	Avoid getting involved when important issues arise					
34	Is absent when needed					
35	Avoids making decisions					
36	Delays responding to urgent questions					

### Part three: 2.3 Employee Opinion Survey- Organizational Commitment Questionnaire (OCQ)

Please describe your personal views of the following statements as objectively as you can, by putting X mark on a number from 0 to 4 from the rating scale that best reflects your views. The information requested from you is being collected for research purposes. This questionnaire is not a test, and all information collected will be anonymous, so please respond honestly. When you have completed all the questions, please SEND this questionnaire back to me via Group Wise.

Use the following rating scale:

0 = Strongly Disagree

1 = Disagree

2 = Neutral

3 = Agree

4 = Strongly Agree

No	Questions	Rating scale				
		0	1	2	3	4
	<b>Affective commitment</b>					
1	I feel like part of the family at this organization					
2	This organization has a great deal of personal meaning for me					
3	I feel a strong sense of belonging to this organization					
4	I feel emotionally attached to this organization					
	<b>Normative commitment</b>					
5	Even if it were to my advantage, I do not feel it would be right to leave my organization now					
6	I would violate a trust if I quit my job with this organization now					
7	I would feel guilty if I left my organization now					
8	I would not leave this organization right now because I have a sense of obligation people in it					

	<b>Continuance commitment</b>					
9	Too much of my life would be disrupted if I decided that I wanted to leave this organization now					
10	I would not leave this organization right now because of what I would stand to lose					
11	It would be very costly for me to leave this organization right now					
12	For me personally, the cost of leaving this organization would be far greater than the benefit					

===== Thank you for your cooperation!!=====